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The North-China Herald

AND SUPREME COURT AND CONSULAR GAZETTE

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VOL. CLXXXIII. No. 3386. SHANGHAI, TUESDAY, JUNE 28, 1932. TAELS 12 PER ANNUM. MEX. $0.40 PER COPY

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By SAPAJOU

A JOURNALIST IN MANCHURIA

NOTES AND COMMENTS

Sir Frederick Maze's Statement

The Inspector-General of Customs has promptly issued a reply to the allegation by Tokyo that the dismissal of Mr. J. Fukumoto is contrary to the Dairen Agreement of 1907 between China and Japan. The Japanese Government must be hard pressed to find ground for supporting the action of its representatives in Kuantung, on whose insistence Mr. Fukumoto committed the indiscretion leading to his dismissal. Only a few weeks ago, emphasis was laid by Japanese spokesmen on Mr. Fukumoto's freedom from interference either by Manchukuo or the Kuantung authorities, in the event of Customs autonomy being set up elsewhere in Manchuria, recognition being then given to the, now, apparently, forgotten, special status of the Dairen Customs. It would seem that Tokyo would be well advised to give the whole matter less flippant attention.

Tokyo Puzzled

Tokyo—or rather the Foreign Office there—is puzzled. Colonel Henry L. Stimson has asked inconvenient questions regarding the Manchurian Customs and the puzzle is how to answer them. Left to itself, no doubt, the Japanese Foreign Office, even without Count Uchida, would be able to give a satisfactory assurance almost removing Colonel Stimson's anxiety. But then there is the General Staff and what the General Staff decides to do, whether under the lead of Mukden or in direction of Mukden, must eventually be accepted by the Foreign Office. The military "party" has just frankly declared that its policy has to prevail. That had been the suspicion of most people but it is just as well to have it down in black and white.

Up and At 'em

On the day after Derby Day, that gallant campaigner and political backbencher, Sir Alfred Knox, applied himself to the task of enlightening the Unionist Canvassing Corps on the course of events in the Far East. It is to be hoped that ardent Conservative canvassers did not pay too much attention to his lecture for the following is a spirited passage in it:

> The danger now was this. Owing to a certain defeatism at home which communicated itself to our Legation in Peking last year, Sir Miles Lampson was sent to negotiate with a view to a certain arrangement regarding the rendition of extraterritoriality. The Chinese demanded no less than the handing over of our extraterritorial rights. Our Minister broke off negotiations and came away. On the 4th May last year the Chinese Government announced that all extraterritoriality would cease automatically on the first January 1932. The British Government in terror sent back our Minister to start negotiations again. They went on for some weeks and some agreement was reached but what it was Sir Alfred believed only one or two people in England knew. That agreement had never been published or to what extent we are bound by that agreement. It will be brought before the House of Commons as a fait accompli and we shall be told that the word of Gt. Britain had been pledged. The majority would probably vote for it.
>
> They could imagine the position of our fellow subjects in Shanghai with this threat hanging over them. They had been worried about us for a long time. In 1930 they asked General Hertzog to lend the services of Justice Feetham. He spent several months in Shanghai and his report in two volumes says that any idea of handing over our privileges in Shanghai would be folly. He refused to fix any period of time but the suggestion of six or seven years would be nonsense. The inference was that the Chinese should set their house in order.

Sir Alfred seems to have taken not the slightest notice of information carefully prepared for backbench intelligence. Nor does he seem to have troubled overmuch about his facts. His airy compression of the Feetham Report's finding into under fifty words of nonsense—to use his own expression—is masterly.

Fire Insurance

The insurance companies have issued a restrained statement regarding their attitude towards claims for losses arising out of Sino-Japanese hostilities. Human nature is weak and weakest in refusing to read documents like insurance policies, but there really should not be any difficulty in understanding the companies' position. War risks as a rule are covered by separate policies. But, unfortunately, there are ingenious and plausible gentlemen who, in the hope of acquiring a nimble fee and perhaps more, are ready to persuade the simple-minded layman that, if he leaves his case to them, they can, by some mysterious means obtain for him that to which he is not entitled. It is far safer to back an outsider in a horse race than to be a victim of these wiles. Nor is it to be expected that the Courts will encourage such schemes. Indeed those Courts which, for reasons which need not be mentioned, have been subjected to much criticism of late are likely to be particularly careful to keep to the law and eschew other more volatile criteria in coming to decisions if claims of this kind are propounded to them.

Well Done Chelidon!

Members of the crew of the gallant Chelidon will probably agree that in their enterprising trip to Japan and back they took the pleasantest way of making that journey. They will hardly pretend that they took the shortest. It is recorded that, five times between Shanghai and Shanghai *via* Nagasaki, they came across the Nagasaki Maru either going or coming. Still they well upheld Shanghai's reputation for daring and skilful seamanship and the Chelidon has added nobly to the laurels gained last year. Office-bound residents and elders of Shanghai will envy these young men their opportunity for testing the bracing virtues of the China Sea. They will also be grateful to them for showing that in an age of adventure, the young men of Shanghai do not lag behind. No pots or other forms of material recognition will be forthcoming as the result of the voyage. It was simply a sporting effort carried out with regard to the best requirements of sport: skill, good teamwork and love of the risks offered for their own sake.

Credit Inquiries

The new venture of the Bankers' Co-operative Credit Service will be watched with much interest. Its success will be welcomed by many commercial firms in Shanghai. It is supported by Banks of approved standing and if close attention is paid to its objects without fear or favour it should come to fill a very useful niche in the commercial machinery here. No doubt the organisers paid attention to the friendly advice offered by Mr. Calder Marshall. They will therefore take pains to ensure that, in ascertaining the credit standing of firms, there will be no remissness either in the matter of making full and exhaustive inquiry or in the sometimes invidious task of making a faithful report. On no other terms can the new service gain the confidence of merchants and achieve the success for which its promoters are entitled to look. The possible effect on the compradore system will be seen as the service develops. No-one would decry the merits of that system but its weakness lies in the fact that, so far, no effort to establish an organisation capable of ascertaining credit values on which reliance can be placed. The compradore has therefore been a substitute—and no unworthy one—to deal with conditions as they are.

Dyke Possibilities

Scepticism levelled at a plan for constructing a series of dykes along both banks of the Yangtze river for a distance of 3,000 miles is largely undeserved. As an effort to prevent China's recurrent floods it is an attractive idea although the immensity of the task has been somewhat minimised by the Nanking authorities who, no doubt, have overlooked the example of the Mississippi which, despite the efforts of America's greatest engineers and the expenditure of tens of millions of dollars, continues to flood and cause suffering and havoc to the district. Nevertheless, it is taking a narrow view to suggest that something along these lines cannot be done, even at the cost of employing 600,000 people on the job. It is interesting to learn that in recent dyke work in Central China over 1,000,000 coolies were employed, and the effort of the National Flood Relief Commission can be estimated in the light of the fact that sufficient earth has been put into the Central China dykes to raise a cubic metre mound which would encircle the world four times. This is a stupendous achievement.

London by Phone

The agreement between the Ministry of Communications and Marconi's Wireless Telegraph Co., Ltd., of London for the supply of beam radio equipment for short-wave telegraphic and telephonic services should place China well abreast of modern communications. Under the agreement, two beam stations will be erected on existing sites and should be operating within a year. Both westward and eastward traffic will be handled, and the agreement will permit of direct radio communication between China and England for the first time. The most interesting feature, to the lay mind, is the provision of radio-telephonic facilities which will enable the Shanghai businessman to talk with his London office. In recent years radio-telephony has developed enormously and London is linked up with the world by phone as far distant as Australia while so large has been the volume of business across the Atlantic that a substantial reduction in cost has been made possible. The Shanghai-London circuit will be about 11,000 miles, passing through the Arctic circle, which illustrates the marvellous advances made by modern communications in which China is to share under the agreement.

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CHINESE POLITICS

CUSTOMS CRISIS IN MANCHURIA

Mr. T. V. Soong's Statement: Dairen Japanese Commissioner Dismissed

London, June 20.

The matter of Manchurian customs collections and the services of Chinese loans secured on customs revenue was raised in the House of Commons this afternoon by Sir Arthur Michael Samuel (Conservative).

He asked the Secretary for Foreign Affairs if he had any information as to whether the Japanese Government was arranging that a proportionate amount of the Manchurian Customs collections required for the service of loans raised in Britain by the Chinese Government to be remitted to those who hitherto had been responsible for the collections required for the service of loans raised in Britain by the Chinese Government to be remitted to those who hitherto had been responsible for the collection of revenues and the service of loans.

Capt. A. Eden, Under-Secretary for Foreign Affairs, replying in the absence of Sir John Simon, said his latest information was that the revenue collected from three of the six customs stations in Manchuria was being remitted normally to Shanghai and that at the other three stations surplus revenue was being paid in to a special suspense account.

The British Government, he went on, was giving very careful attention to the question of foreign obligations secured on the Chinese customs revenue but so far there was no reason to believe that their security was impaired.—Reuter.

Col. Stimson's Note

Tokyo, June 21.

It is learned to-day that the Foreign Office has received a communication from Col. Henry L. Stimson, the United States Secretary of State, making representations in regard to the Manchurian Customs. The communication was transmitted to Tokyo through the Japanese Ambassador at Washington, Mr. Debuchi.

The Foreign Office is apparently puzzled how to reply owing to the complexity of the factors involved.

In the Note, Col. Stimson draws attention to the reports that the Manchukuo authorities have planned Customs autonomy and are establishing their own Customs service under a Japanese inspector-general.

He intimates that such a course will destroy the integrity of the Chinese Maritime Customs and violate the spirit of the Nine-Power Treaty, in the maintenance of which, he declares, the United States Government is vitally interested.

The treaty referred to guarantees the territorial and administrative integrity of China, the signatories being the United States, Belgium, Great Britain, China, France, Italy, Japan, the Netherlands and Portugal.

A Japanese Proposal

It was learned to-day, on good authority, that the Japanese Government has decided to exert its good offices towards an amicable solution of the question of the Dairen customs. To this end, Japan proposes to call a conference of the Powers and the Ministers of China.

For the purpose of seeking a solution of the problem, she will suggest earmarking sufficient amount of the revenue for the service of foreign loans, while the remainder will be divided between the Chinese Maritime Customs and the state of Manchukuo.—Reuter.

Strong Protest Expected

June 22.

Strong protest from the United States and Great Britain is expected if Japan agrees with the Manchukuo "independence movement" for the Dairen customs, it was frankly admitted in Government circles here to-day.

A Foreign Office spokesman said that Japan has no authority despite she fact that a Japanese, Mr. Fukumoto, is at present at the head of the Dairen Customs. He expressed sympathy with the effort of the Manchukuo authorities, however, but said Japan's final attitude has not been decided.

Interest is felt here in the Hsinking governmental turn-over and in the unofficial inspection tours of several prominent Japanese now in Manchuria or en route there, as well as the Manchukuo mission here.

The Foreign Office spokesman further suggested a political solution by division of the 12,000,000 taels customs revenue between China and Manchukuo, with 7,000,000 taels being split between the two and the other 40 per cent. going to payment of foreign loans.

It was suggested that a conference of foreign Ministers might be held in Peking in connection with the problem.—United Press.

New Flag Hoisted

Manchuli, June 21.

The new national flag was to-day hoisted on the flag-staff of Manchuli Custom House, subsequent to yesterday's order from the head office of the Manchurian Maritime Customs at Harbin.

With the disappearance of the Chinese national flag from the Manchuli Customs, no more Chinese flag is now been hoisted on official buildings throughout Manchuria.—Rengo.

Commissioners' Cable

Peking, June 22.

Mr. T. V. Soong, Minister of Finance, in a statement made to-day said that despite all protests and the fact that it is a violation of treaty arrangements, the Japanese and Manchukuo authorities have now actually seized the accumulated customs revenues at Newchwang and Antung.

Mr. Soong, in his statement, gave excerpts from telegrams sent by the Commissioners of Customs at Newchwang and Antung. Newchwang wired on June 20 the following:

"The new superintendent's deputy called to-day with a letter from the Manchukuo Ministry of Finance, instructing me to hand over to the Manchurian bank by cheque, the revenue held in the Bank of China, and forbidding further remittance to be made to the Chinese Government. Disobedience in these instructions will be considered hostile and effective measures will be taken. I refused and was told that the revenue will be seized."

This was followed by a second wire on June 21: "All revenue held in the Bank of China was removed under *force majeure* to the Bank of Manchuria yesterday. I protested to the Yokohama Specie Bank and demanded a remittance. The manager of the bank wired his head office for instructions yesterday."

The Antung commissioner wired on June 20 as follows:

"The Bank of China officially informed me to-day that they had handed over the revenue balances as on June 19, after the receipt of a threatening letter from the Manchukuo Minister of Finance and after a visit of the local Chinese police, who instructed that the revenue should not be touched. The Bank, at the same time, informed me that such small service balances as they held had also been handed over."

Legal and Historical Background

June 22.

Mr. T. V. Soong issued to-day the following statement regarding the legal and historical background of the establishment of Chinese Customs in Dairen.

"The attempts now being made by the representatives of an illegitimate political regime, which styles itself as 'Manchukuo,' to appropriate the revenues of Chinese Maritime Customs at Dairen, in the Japanese leased territory of Liaotung (Kwantung), will if carried out constitute a breach by Japan of her treaty obligations with China, will threaten the very integrity of the Customs service itself.

"Furthermore, far-reaching questions, involving the very status of the Liaotung leased territory itself, are raised by the acts of transgression upon both the Chinese and Japanese rights and obligations in this territory, which are now being conducted by individuals who claim to represent the so-called 'Manchukuo'—a political regime which is under the direction of Japanese advisers.

"The Liaotung leased territory is, in law, Chinese territory, although it is administered for the time being by the Japanese government. This unique status, which owes its existence to the original lease convention of 1898, was the product of a sovereign act of China, having no relationship to the form of administration which existed in the three Eastern provinces of China called Manchuria.

"It follows that any interference on the part of the so-called 'Manchukuo' authorities with the Dairen Customs would be contrary to the stipulations of the agreements between Japan and China, under which leased territory is created and continues to be administered.

"Japan, having the actual administrative authority in leased territory, remains responsible to observe conditions of trust which are explicit in the original lease convention.

"As The Dairen Customs office is located in leased territory over which the Japanese government has effective control, any interference on the part of individuals representing themselves as acting for 'Manchukuo', will be interpreted by the Chinese government as contrary to the conditions of agreements under which Japan remains in the continued occupation of the Liaotung leased territory.

In this connection it should not be forgotten that it is provided in the original lease convention, by which Japan is bound, that although the administration practically devolves upon the Japanese authorities, this act of lease however, in no way violates the sovereign rights of the Chinese government to this territory.

"There is, of course, no question of the right of the Chinese government to levy and collect customs at the Dairen office. Article 5 of the Agreement of July 6, 1898, which became binding upon Japan after 1905, provides that 'China may levy and collect duties at the boundaries, on all goods going from the leased territory to the interior, or from the interior to the leased territory', and also that 'the said customs shall be under the sole control of the Peking government'.

"It would be nothing short of ridiculous, of course, to assert that the Liaotung leased territory is now leased from the so-called 'Manchukuo', which as a political entity has not even attained existence de facto, having no control over the extent of territory over which it claims jurisdiction, and having but a nebulous political organisation which is characterised by ubiqitous and all-powerful Japanese advisers, who are now styled "employees".

"So amorphous is this political regime that it has not even been recognised by Japan. The attempts of these self-styled 'officials' of so-called 'Manchukuo' to appropriate the Dairen customs revenues, furthermore, raises the question of Japan's obligations under her agreements with China and simultaneously constitutes a threat to the very integrity of the Chinese Customs itself, a fact which cannot but be of grave concern to China and foreign states.

"The Dairen Customs office was established by virtue of an agreement between Sir Robert Hart, Inspector General of Customs, on behalf of China, and Mr. G. Hayashi, the then Minister of Japan to Peking. His agreement of May 30, 1907 was predicated upon the existence of the Liaotung leased territory, and the original lease convention above described.

"As long as this territory remains in the present status, that is, under lease by Japan, the very fact of perpetuation of this unique situation continues to operate as a condition reserving to China the right to collect customs duties 'at boundaries on all goods going from the leased territory to the interior or from the interor to the leased territory'.

"Any interference with the Dairen Customs office, whether by so-called Manchukuo authorities or by Japanese authorities, will entitle the Chinese government to raise the question of indemnification due China for the non-remittance of the Dairen Customs revenues.

"That the Japanese government is obligated to preserve the integrity of the Customs at Dairen and is therefore responsible for any impairment of service resulting from interferences in leased territory, over which the Japanese government has the actual administrative control, is evident from the following provisions of the 1907 Customs Agreement beween Japan and China, pertaining to Dairen:

1. The Inspector General of Customs has the authority to appoint a Commissioner of the Dairen Office, although the said Commissioner shall be of Japanese nationality. No new Commissioner can be appointed without the approval of the Inspector General. Moreover it is provided that in order to satisfy 'the tempary requirements of the service', the Inspector General may appoint staff members of other nationalities than Japanese to the Dairen office.

2. The obligation to levy and collect customs duties and to enforce 'the customs tariff in vigour in Chinese treaty Ports' is operative at Dairen. In order to insure enforcement of these provisions, it is provided that 'the Japanese authorities will take steps to prevent smuggling from the leased territory into China, and support the Chinese authorities in the measures they adopt to prevent smuggling from China into leased territory'.

3. Finally, it is clear that the 1907 Agreement continued in force the provisions of the Agreement of July 6, 1898, in which it is stated that 'the said Customs shall be under the sole control of the Peking government'. These provisions clearly establish the right of the Inspector-General of Customs to apply with respect to the Dairen office, such regulations for the customs duties, depository banks and remittances as are uniform with practices prevailing elsewhere in China, subject only to such conditions as have been specially agreed upon between Japan and China with respect to the Dairen office.

"The non-observance of these Agreements will therefore legitimately be regarded by the Chinese government as in consequence of a situation for which the Japanese government must assume full responsibility.

"Any interference by the Japanese authorities or any third party with the administration of the Dairen Customs office, under the terms of the existing agreements between Japan and China, will naturally constitute the impairment of the Chinese Customs in which other foreign states are concerned.

"The Dairen Customs revenues constitute no small part of the total revenues upon which the numerous financial obligations of China to the various foreign states are secured. Moreover, the intereference with the established Customs service at Dairen will constitute a serious menace to the very integrity of the service itself, an institution in which foreign states have long had a deep interest.

"The particular interest and concern of the foreign states, other than Japan, in the Dairen Customs Office, was adequately demonstrated by the train of events which led to the establishment of that office in 1907.

"The long delay in the establishment of the Dairen office after the Russo-Japanese war (practically two years) the handicaps and discriminations against which the British and American traders, in particular, had to compete with Japanese merchandise which entered Manchuria, via Dairen, free of duty, since no customs station had been opened there, and resulting in the transgression of the principle of the Open Door in Manchuria in which all foreign states had a vital concern supported by treaty rights, led certain foreign governments to make strong representations to both Japan and China to open the Dairen Customs office without delay.

"The Chinese government, therefore, mindful of its own obligations to all foreign states concerned, cannot but look with grave concern upon the tendencies now evident, toward the return of certain of those practices, discriminatory in character, as existed before the establishment of the Dairen Customs office under the Inspectorate General of Customs"—Reuter.

Mr. Fukumoto's Extraordinary Act

Sir Frederick Maze, the Inspector-General of Customs, states in respect of the Manchurian Customs question that the restrictions originally placed by the Manchukuo authorities on revenue remittances to Shanghai and the recent seizure of such revenues have seriously curtailed the funds available for the liquidation of the Indemnities and Foreign Loans secured on the Maritime Customs; and in view of the general trade depression now unfortunately prevailing and the shrinking revenue, the service of these obligations will be seriously affected if the Manchurian Customs impasse continues. The same danger, he adds, exists for the domestic loans charged on the Customs revenue.

The financial situation has been further aggravated by the extraordinary action of Mr. J. Fukumoto, the Commissioner of Customs in Dairen—a Japanese subject—who refused to execute the Inspector-General's orders to instruct the Bank concerned in Dairen to remit the local revenue to Shanghai on the ground that he had received a communication from Mr. Kawai, Chief of the Section for Foreign Affairs of the Kuantung Government at Port Arthur, saying that the remittance of revenue under present circumstances would be highly provocative, and that he had good reasons to believe that the counter measures which the Manchukuo Authorities might adopt if remittances were effected would vitally effect Japanese interests in the Kuantung Leased Territory. He (Mr. Kawai) therefore strongly urged that remittances be postponed pending the solution of the present issues.

On receipt of this peculiar message the Inspector-General immediately telegraphed to the Commissioner disapproving of his passive attitude, instructing him to remit forthwith, and warning him that failure to execute instructions would be considered as insubordination. In reply to these definite instructions the Commissioner telegraphed as follows:—

A passive attitude is the only one possible for me at the present moment. I myself am convinced and also have been warned by responsible Japanese Authorities that an open rupture between the Dairen Customs and the Manchukuo authorities would be destructive to Japanese interests. That I, a Japanese, should be the instrument to bring about such a rupture is intolerable and against my conscience. I hope therefore that the Inspector-General will realise the impossibility of my taking such a responsibility upon myself."

With the approval of Mr. T.V. Song, Mr. Fukumoto has been dismissed for gross insubordination, and the Inspector-General adds that his defiance of legitimate orders forms an incident which is unprecedented in the history of the Maritime Customs Service.

Bankers' Manifesto

The following joint manifesto has been issued by the Shanghai Bankers' Association, the Shanghai Native Banks Guild and the Chinese National Chamber of Commerce:

"Japan's forcible seizure of Chinese Customs revenue in Manchuria through the puppet state of her own creation is not only a flagrant violation of existing treaties, but also threatens the financial and political disintegration of China.

"Manchurian Customs receipts constitute 15 per cent. of China's Customs revenue providing the security for all important Chinese, foreign and domestic loans.

"Such a serious curtailment of Chinese national revenue will, if permitted, undoubtedly have most unfortunate consequences resulting in a long period of political and financial chaos in China.

"In the interest of the sanctity of treaties and for the sake of international trade and financial relations with China we appeal to the leading foreign Powers to restrain Japan from committing this folly and thus to arerst the disintegration of China before it proceeds too far."—Reuter.

Antung and Newchwang Too

Dairen, June 25.

As the result of the dismissal of Mr. J. Fukumoto, Commissioner of Customs at this port, the entire Japanese staff of the Chinese Maritime Customs here has decided to tender resignations en bloc tomorrow morning.

This action was decided upon today at a meeting of the 67 Japanese members of the Dairen Customs staff.

The Finance Department of the Manchukuo Government to-day commenced to take over the administration of the Customs in other ports than Dairen and it is understood that representatives of the new state already are in control at Harbin, Antung and Newchwang.

Announcement of the Manchukuo authorities' action stated that it was in furtherance of the complete severance of relations with the Nanking Government.—United Press.

Tokyo, June 25.

The Japanese Government has lodged a protest with the Chinese Government against the dismissal of Mr. J. Fukumoto, Commissioner of Customs at Dairen.

The Japanese Government declares that such action is contrary to Article III of the 1907 Agreement, which stipulates that there shall be no dismissals or appointments of Customs officials at Dairen without first consulting the Governor of the Kuantung Leased Territory.

The Japanese Government protests against an "arbitrary step" taken in disregard of the negotiations at present taking place in Peking with the aim of reaching an amicable solution.

In conclusion, the Government says that it will hold the Chinese Government responsible for whatever developments are precipitated.

Official circles here are said to have been perturbed on learning that the Manchukuo authorities are definitely preparing to establish a Customs office at Wafangtien, on the border of the Kuantung Leased Territory, if the Customs office at Dairen refuses to remit its revenue to Changchun, the capital of the new State.

Such a step, it is pointed out, will entail a double payment of Customs duties.—Reuter.

Sensation in Dairen

Dairen, June 25.

The dismissal of Mr. J. Fukumoto by Sir Frederick Maze, the Inspector-General at Shanghai, has created a sensation here.

Mr. Fukumoto conferred to-day with Mr. Chuichi Ohashi, vice Minister for Foreign Affairs of Manchukuo, concerning his future attitude. It is expected here that

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in accordance with treaty provision, another Japanese head of the customs will be appointed.

Manchukuo authorities are expected to continue to press for full independence of the Dairen Customs regardless of the change. A further dispute is expected.—United Press.

An Explanation By Mr. Fukumoto

Dairen, June 25.

In a statement issued to-day, Mr. J. Fukumoto, who has been dismissed from the post of Commissioner of Customs here, emphasises that his action in refraining from remitting the Customs revenue to Shanghai was not taken under instructions from the Manchukuo authorities.

He explains that a dual collection of Customs duties would have been inevitable if he had remitted the revenue to Shanghai, leading to serious international complications.

For the purpose of precluding the possibility of such a situation, he took what he considered the best step.

June 26.

Following an order from Manchukuo, the customs revenue, which the bank is holding pending the settlement of the dispute, will be remitted to Manchukuo to-morrow. —Reuter.

The Dairen Agreement

With reference to the reported declaration of the Japanese Government that the recent dismissal of Mr. J. Fukumoto, Commissioner of Customs at Dairen is contrary to Article III of the 1907 Dairen Agreement, Sir Frederick Maze, the Inspector-General of Customs, having been asked for his opinion on the subject, stated that the action of the Customs Authorities in dismissing Mr. Fukumoto did not contravene the Agreement in question, and did not necessitate consultation with the Kwantung Government. For the sake of clarity, it is desirable to quote the first three Articles of the Agreement:—

1. The Commissioner or the Chief of the Maritime Customs office at Dairen is to be of Japanese nationality. The Inspector-General of Customs will come to an understanding with the Japanese Legation at Peking in case of appointing a new Commissioner.

2. The members of the staff of the Maritime Customs office at Dairen shall, as a rule, be of Japanese nationality; in case, however, of a suddenly occurring vacancy or of temporary requirements of the Service, members of other nationalities may be provisionally sent to Dairen.

3. The Inspector-General of Maritime Customs will inform the Governor General of the Leased Territory beforehand about the change of the Commissioner of Customs at Dairen.

Sir Frederick points out that before the provisions of Article III can be given effect to it is necessary first to execute the provisions of Article I. It has never been the practice to notify the Kwantung authorities of the change of the Commissioner at Dairen until after the Japanese Legation has been approached on the subject and concurs with the proposed arrangement. Mr. Fukumoto's successor has been duly nominated and when the Legation Authorities concur with the nomination, the Governor-General of the Leased Territory will then be informed, in conformity with Article III.

Full Control By July 1

Harbin, June 25.

It is fully expected here that the Manchukuo authorities will take over completely both the customs and postal services of Manchuria by August 1 next and possibly may do so on July 1.

The Harbin customs house and all branches in North Manchuria where Manchukuo and Japanese troops are in control, including Manchuli, are flying only the customs flag, neither the Manchukuo nor the Chinese Republican flag being in evidence.

But of course all customs stations in territory controlled by Chinese volunteers still fly the Republican flag.

The postal service, meanwhile, is operating in accordance with an agreement signed in Mukden on April 27 last by a Chinese official of Manchukuo and the postal commissioner in Mukden. This agreement stipulates that there shall be maintenance of the status quo in the postal service until "divergencies have been adjusted" by Changchun and the Postal directorate in China.—Reuter.

Affairs Being Taken Over

Hsinking, June 26.

The Finance Department of the Manchukuo Government started to take over all affairs of the Customs Service in Manchuria other than Dairen yesterday, as it was considered that the dismissal of Mr. J. Fukumoto, head of the Dairen Customs, had ruptured negotiations between Manchukuo and Nanking.—United Press.

Harbin Customs Seized

Harbin, June 26.

To-day the customs house here was surrounded by a body of police and a party of 19 of them, in the absence of the Commissioner, Mr. H. E. Prettejohn, occupied the customs house. There were 15 Chinese police, three Russians and one Japanese who entered and took possession.

The Commissioner was informed by telephone and he immediately went to the customs house and asked the police to produce their authority for doing what they had done. This they were unable to do and the Japanese official disappeared.

For the rest of the day, the position has remained unchanged though the Commissioner is discussing matters with a Japanese official.

Mr. Prettejohn has issued a statement in which he says that he and his staff remain loyal to the Chinese customs service in spite of offers and disloyal suggestions made to them.

The Customs Commissioner had a conference this afternoon with the Customs Superintendent and the Japanese adviser to the Finance department of Manchukuo, upon his being invited to join the Manchukuo service.

The Commissioner categorically refused the invitation and stated that he would not hand over the Customs administration and would not permit any pressure to be brought to bear upon his staff by Manchukuo.

The Commissioner was then informed by both the Superintendent and the Japanese adviser that Manchukuo intended to take over the Customs.

The Manchukuo flag is now flying over the Customs office.—Reuter.

RESIGNATIONS AT DAIREN

The "North-China Daily News" understands that the resignations of all the Japanese officials to the number of about sixty, with the one exception of Mr. Yoshida, a senior assistant, have now been received at Customs Headquarters in Shanghai. It is gathered that Mr. Yoshida has been instructed to act as assistant-in-charge and his loyalty to the Customs is appreciated. Meanwhile, in accordance with Article II of the Dairen Agreement, 1907, arrangements are being made for the Dairen Customs to function and, under Article I, the name of the new Commissioner selected to fill the vacancy created by Mr. Fukumoto's dismissal has been communicated to the Japanese Legation at Peking.

Nanking Lodges Protest

Nanking, June 27.

Dr. Lo Wen-kan, Minister for Foreign Affairs, addressed a strong note to the Japanese Government on June 25 protesting against the seizure and appropriation of the Customs revenue in Manchuria and the "interference with the Customs administration in Dairen by that Government in the guise of the so-called Manchukuo authorities."

After recalling previous communications on the subject and refuting the Japanese contention that the matter is one between the Chinese Government and the Manchukuo authorities, Japan not being in any way responsible, the note goes on to point out that Dairen though temporarily leased to Japan remains Chinese territory in law; that the Dairen Customs office was established by virtue of the agreement of 1907 between the Inspector-General of the Chinese Maritime Customs, Sir Robert Hart, and Mr. Hayashi, Japanese Minister in China, and that the Inspector-General of the Chinese Customs, therefore, has the right to apply with respect to the Dairen office such regulations for Customs duties, depositing banks and remittances as are uniform with the practices prevailing elsewhere in China. The note continues:

"Now in utter disregard of treaty obligations, the Japanese Government has instigated the bogus Government of the three north-eastern provinces to interfere with the Customs offices in Antung and other places and to instruct the Japanese commissioner of the Dairen Customs office to stop remittances to the Inspector-General in an attempt to destroy the integrity of the Chinese Customs Administration and the security for China's foreign and domestic loans. Such acts are clearly in violation of the covenant of the League of Nations, the resolution of the League Council and Assembly, the Nine-Power Treaty, as well as other relevant treaties and agreements, for which the Japanese Government must be held fully responsible.

The Chinese Government, while reserving the right to make suitable demands for reparation and indemnity for losses sustained by these Customs offices, hereby lodges its vigorous protest with the Japanese Government."—Reuter.

New Station to be Established

June 26.

Considerable excitement has been caused here by the announcement of the Manchukuo authorities that the new Government proposes to establish its own customs station at Wangfangtien, on the border between Manchukuo and the Kuantung Leased Territory.

It is pointed out here that this step has already been taken and all cargoes for Manchuria via Dairen are taxed at this point and again at Wangfangtien. Goods will be sent by way of Antung or Yingkow, which would greatly affect the revenues of the South Manchuria Railway.

Japanese Officials' Statement

June 27.

A total of 65 Japanese officials of the Dairen Customs have submitted their joint resignation to the National Government by telegraph, as a result of the dismissal of Mr. J. Fukumoto, as head of the Dairen office.

They announced simultaneously that they will join the Customs in Manchukuo territory, since their relations with the Chinese Government had been terminated.

In the course of a joint statement, they said they could not have faith and confidence in the National Government in view of the dismissal of Mr. Fukumoto after 27 years of service.

Manchukuo Customs officials went on duty to-day at Customs Service headquarters at Antung, Yingkow, Harbin, Hunchun (Kirin), Lungchingtsun (Kirin), Pogranichnaya, Aicun (Heilungkiang) and Manchuli, following the taking over of the services at those points yesterday.

The total annual revenue from these points amounts to approximately 25,000,000 custom taels, which will be applied to Manchukuo revenues except for the portion reserved for payment on foreign loans, it was said.

Mr. J. Fukumoto has received a writ of appointment from Gen. Hsi Shia, Minister of Finance for Manchukuo, giving him charge of the Dairen Customs under Manchukuo administration. He has accepted and resumed duty.—United Press.

Mr. Fukumoto Starts Work

June 27.

Mr. J. Fukumoto, who has been newly appointed Chief of Customs Collecting Bureau by the Manchukuo Government, in accordance with an order from the Finance Ministry of that Government, to-day issued an official notice, declaring the commencement of business to collect import duties beginning from to-day (June 27).—Rengo.

Japan to Warn Manchukuo

Tokyo, June 27.

Although, owing to the non-recognition of Manchukuo, a formal note is impossible, nevertheless, the Foreign Office is expected to convey a warning to Manchukuo officials not to attempt to seize the Dairen customs, pending the outcome of Japanese efforts to effect a compromise with Nanking, it was reported to-day.

Emphasising the inability to recognise the illegal transference of customs receipts, the Japanese Government is expected to express sympathy but to insist that Manchukuo respect the security of foreign debts and maintain the Chinese tariff scale, if Manchukuo eventually does take over the customs.

In the meantime, press dispatches report that the Manchukuo flag was hoisted this morning over nine customs houses in Manchuria.—Reuter

Within Commission's Scope

Peking, June 27.

In reply to a question regarding the Dairen Customs situation, a spokesman of the League Commission said that the subject had not yet been officially brought to the notice of the League Commission. He added, however, that the question would have to enter the scope of the Commission's inquiry since it was an important issue involving the relations between the Chinese and the Japanese.—Reuter.

Chinese Hesitant

Dairen, June 27.

As the result of the general resignation yesterday of all Japanese officials of the Dairen Customs, Chinese officials are now debating whether they should remain in office, it is reported in Japanese quarters.

Representatives of the Chinese officials are said to have held an interview last night with Mr. M. Nakamura, Acting Commissioner of Customs here, at which their future course was discussed. It is claimed by Japanese that the Chinese also are considering following the example set by their Japanese co-workers and joining the Manchukuo Government.—United Press.

View of Tokyo Foreign Office

Tokyo, June 27.

The authorities of the Japanese Foreign Office have decided to call the attention of the Manchukuo Government to the fact that the Dairen Customs is located within the district under Japanese administration, despite which an attempt is being made to take over the Customs there without legal steps.

It is reported here that the Japanese Government is now negotiating with the Nanking Government in an effort to reach an amicable settlement in connection with the independence of the Dairen Customs, in order that the integrity of the Chinese Customs may be maintained as well as the security for foreign loans.

In the event that the Chinese Government should disapprove of Manchukuo receiving a portion of the Dairen receipts, it is the view of the Foreign Office authorities that Manchukuo might be able to take over the Customs in Manchuria by force.

It is made plain, however, that Manchukuo cannot act entirely on its own initiative with regard to the Dairen Customs, and that the new state will not be permitted to ignore the Japanese position in the matter. —United Press.

Questions in the Commons

London, June 27.

The Japanese were usually very scrupulous in carrying out their treaty obligations, but would Sir John Simon point out to them that they were breaking the spirit of the 1907 treaty relating to the integrity of the Chinese Maritime Customs?

This question was asked in the House of Commons to-day by Sir Arthur Michael Samuel, Conservative member for the Farnham division of Surrey.

The Foreign Secretry had previously replied to the same questioner that the Japanese Government had not given any assurance with reference to the integrity of the Manchurian Customs since June 19. The matter, he added, had been actively considered and he had been in communication with Tokyo.

Replying to further questions by Sir Arthur Samuel, the Foreign Secretary declared that the remittance of Customs revenues from Harbin, Newchwang and Antung had been suspended by order of the Manchukuo authorities.

The British Ambassador at Tokyo, he said, had been instructed to ascertain the facts as regards the situation at Dairen and to express the concern of His Majesty's Government.—Reuter.

NANKING'S NEW POLICY

Futility of Reliance on the League

Nanking, June 26.

The new policy of the Government vis-a-vis of the Manchurian situation which has been formulated as a result of the recent Kuling and Peking conferences was unanimously approved and ratified at a meeting of the Central Political Council held yesterday.

While details of the new policy have not been divulged, it is understood that greater reliance will hereafter be placed upon "our own efforts."

It is understood that the Government has now realized the futility of complete reliance upon the League or any other outside organizations. While appeal will continue to be made to this international machinery, the people will be called upon to exert their own efforts to cope with the present crisis.—Kuo Min.

Foodstuffs destined for relief work will no longer be granted free transportation, according to an order of the Executive Yuan issued to Provincial and Municipal Governments. It is specified that, apart from the remaining consignments of American wheat which may be transported to their destinations free, all other foodstuffs must henceforth be subject to the usual regulations and tariffs.

CHINA'S NOTES TO POWERS

Japanese and Manchukuo Recognition

Geneva, June 23.

The Chinese note to the League Secretariat, which was presented to-day, contained the text of a telegram from Dr. Lo Wen-kan, Chinese Foreign Minister, making an urgent appeal to the League to obtain Japan's observance of the League resolutions of September and December 1931, to refrain from further aggravating the situation, and to desist from recognition of the Manchukuo Government "which is sure to render the work of the League Commission of Enquiry abortive and prepare the way for a grave conflict in the Far East."—Reuter.

Nanking, June 24.

The Chinese government has sent, under yesterday's date, identical notes to the representatives in China of the signatory Powers to the Nine-Power Treaty, including Great Britain, America, France, Italy, Belgium, The Netherlands, and Portugal.

The notes urge the above Governments to give the most serious attention to the plan of the Japanese government to accord official recognition to Manchukuo.

They ask that such immediate steps be taken that will effectively cause the Japanese Government not to accord recognition to "an unlawful organisation born of Japanese military action, and thereby to hold the sanctity of the Nine-Power Treaty and to maintain peace in the far East.—Reuter.

POSTAL SERVICE IN MANCHURIA

Manchukuo's Threat to Seize the Office

That the Manchukuo Government actually is threatening forcibly to seize the postal administration in Manchuria, should the latter continue to refuse to function independently of Nanking has been confirmed in reports received by the Director-General of Posts from his subordinates in the Three Eastern Provinces.

Mr. Chu Chang-sing, the Acting Director-General of Posts in the absence of Mr. Huang Nai-chu, the Director-General, who is now visiting Nanking, in an interview with a representative of the "North-China Daily News," on June 22, stated that, according to reports from the Manchurian postal authorities, the latter had been approached by the Manchukuo Government with a suggestion that they should work in co-operation with it for the sale of postage stamps issued by the new state and bearing the characters "Ta Tung Yuan Nien" (the first year of Manchukuo), etc., but the suggestion had been rejected by them. The Manchukuo authorities, according to these reports, threatened to take drastic and decisive measures against the present postal administration in Manchuria should the latter remain adamant, but so far they had not revealed when they would carry out their threat.

The Chinese Government, Mr. Chu continued, will resist to the utmost the attempt of the puppet state to seize the postal administration in Manchuria and, should the Manchukuo carry out its threat to place the Manchurian post office under its own control, the Chinese Government will close down all post offices in the Three Eastern Provinces, in which event Manchukuo authorities will be held responsible for the financial loss to China. Instructions have been sent to the Manchurian postal authorities, ordering them to keep the Director-General of Posts fully informed of the action the new government has taken or is planning to take against the postal service in Manchuria, so that adequate measures may be decided upon by the Government to deal with the situation.

Manchuria is divided into two postal districts, the Liaoning and the Kirin-Heilungkiang. The annual postal revenues from the three provinces amounts approximately $2,000,000, according to statistics compiled at the Directorate-General of Posts.

Manchukuo Postage Stamps

Nanking, June 24.

The Foreign Office lodged a strong protest to-day with Japan against the seizure of the Postal administration by the "Manchukuo" authorities, and the adoption of "Manchukuo" postage stamps on July 1.—Reuter.

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JAPAN MUST PAY IN FULL

Demand of the Shanghai Chamber of Commerce

Nanking, June 21.

That full compensation be demanded from the Japanese Government for the material losses, totalling over $1,600 millions, inflicted by the Japanese military in Shanghai, Woosung and environs is urged by the Greater Shanghai Chamber of Commerce in a petition to the Executive Yuan.

The petition, which has been submitted in pursuance of a resolution of a general meeting of the Chamber, declares that the wanton aeroplane and artillery bombardment of the Japanese military during their recent invasion of Shanghai has virtually reduced the prosperous and densely populated districts of Chapei, Kiangwan, Woosung and Taziang to heaps of charred ruins. The total property losses are estimated to be well over $1,600 millions. Complete rehabilitation of these devastated areas can not therefore be expected in any definable future, according to the petition.

Continuing, the petition points out that the Japanese invasion of Shanghai was launched and carried out at a time when Japan was in normal and friendly intercourse with China. This in itself is an unprecedented outrage in the history of international relations.

What is more reprehensible, however, is the fact that the Japanese military had callously indulged in the destruction of lives and property of non-combatant civilians as well as buildings dedicated to cultural and educational purposes, thereby flouting the most elementary rules of civilized warfare.

That the Japanese Government is liable, according to International Law, for the damages caused by such wanton and indiscriminate acts of violence should therefore be entirely beyond dispute.

The petition then goes on to point out that although an agreement has been concluded between China and Japan relative to the Shanghai trouble, it is concerned however solely with the cessation of hostilities and withdrawal of troops. It can not therefore be construed as any waiver on the part of the Chinest Government of its claim to full compensation for losses inflicted by the Japanese invasion.

In conclusion, the petition urges that the National Government take up this question with Japan at the earliest possible opportunity.—Kuo Min.

PAY FOR CHINESE CIVIL SERVANTS

Economy Move Applies Only to Certain Departments

Nanking, June 22.

The reduction which has been made in the salaries of all Government employees will be continued until December, 1932. This measure is being adopted owing to the financial stringency of the Government, according to information received to-day from the Ministry of Finance.

The Ministry's original plan of making full payment of all Government expenses beginning from July can no longer be encouraged owing to the anti-bandit campaign expenses and the detention of the Manchurian Customs. As a result the period of reduction in the salaries of Government employees must be prolonged.—Reuter.

June 23.

An interesting question regarding the pay of Government servants has been raised by the Ministry of Auditing in a petition submitted to the National Government.

It has been the practice for those government organs which collect national revenues, such, for example, as the Customs and Postal administrations, to pay the salaries of their staff members out of the income directly collected. As a result, therefore, while civil servants working in such organs are practically unaffected by the rigid retrenchment programme forced by the Government since the Shanghai trouble of January 28, those serving in other organs have been receiving only nominal salaries. That there should have been this discrimination between the employees in various departments of the public service is considered to be unfair, it is pointed out.

While the remedy suggested by the Auditing Ministry has not been disclosed, it is understood that the petition emphasises the point that the retrenchment programme must apply all round without discrimination.—Kuo Min.

NATIONAL ECONOMIC COUNCIL

Legislative Yuan Considering Revised Regulations

Nanking, June 25.

A revision of the regulations governing the organization of the National Economic Council is now under consideration by the Legislative Yuan.

It will be recalled that the Council was created by the National Government on the recommendation of Minister T. V. Soong, its main function being the co-ordination of reconstruction plans.

It is understood that the revised regulations will embody the following general principles:—

1. The aim of the Council shall be to accelerate economic reconstruction as well as to improve the economic well-being of the people.
2. The Council shall draw up plans for all State economic or reconstructive enterprises.
3. The work and expenditures of all State economic organizations shall be subject to examination and approval by the Council.
4. The President and Vice-President of the Executive Yuan, the Minister of Interior, Finance, Railways, Communications Industry and Education, as well as heads of the various central economic and reconstruction organs shall be *ex officio* members of the Council. The Council shall also have not more than 21 appointive members, appointed by the National Government upon nomination by the *ex officio* members from among economic experts.
5. The Council may have various experts' committees.—Kuo Min.

CHINA RADIO FACILITIES

Important Agreements with British Companies

Nanking, June 25.

An agreement of importance to international radio-telegraphic and radio-telephonic communication has been signed between the Ministry of Communications of the National Government and Marconi's Wireless Telegraph Co., Ltd., of London, under which the Marconi Company is to supply the Ministry with extensive and highly specialised Beam Radio Station equipment for the purpose of efficient handling of international short-wave radio-telegraphic traffic and also for short-wave radio-telephony service.

The equipment includes two Marconi Beam transmitting and receiving stations which will be directed Westward toward Great Britain, and Eastward toward America respectively. Apparatus will also be incorporated permitting the transmission and reception of radio-telegraph and radio-telephone messages between China and various other countries.

This equipment is calculated to bring the radio-telegraphic communication facilities of the Ministry to a high state of efficiency, comparable with those existing in the principal countries of the world.

The stations are to be erected adjacent to Shanghai and are to be connected with the Central Office of the Chinese Government Radio Administration at Sassoon House. The erection of the stations will be carried out under the supervision of Mr. Z. W. Chang, Chief Engineer of the Chinese Government Radio Administration, in co-operation with a Marconi expert, and arrangements have also been made for a number of Chinese radio engineers to proceed to the Chelmsford Factory of the Marconi Company for the purpose of familiarising themselves with the operation and maintenance of the apparatus.

An important feature of the enterprise is the simultaneous conclusion of an agreement between the Ministry of Communications and the Imperial and International Communications Co., of England, for the establishment and operation of direct high-speed automatic duplex radio-telegraphic communication between China and Great Britain. Radio station facilities are to be opened in England for the reciprocating of traffic with China.

Since the signing of the agreements, congratulatory telegrams have been exchanged between the Minister of Communications and responsible officials of the Marconi and the Imperial and International Communications Companies.

The agreements are signed by the Minister of Communications, and by Mr. W. J. Richards representing both The Imperial International Communications Company and Marconi's Wireless Telegraph Co., Ltd. —Reuter.

CONSOLIDATION OF FINANCE

Nanking Preparations for Appointing Commission

Nanking, June 22.

The Executive Yuan, acting under instructions from the National Government, is now making preparations for the organisation of a finance commission to take charge of affairs for the financial rehabilitation of the country.

It is understood that the commission, when organised, will have between 35 and 45 members, mainly bankers and financial experts and economists, and some representatives of financial, agricultural, industrial and business organisations.

Also for the consolidation of national finances, the Finance Ministry has decided to call a national finance conference here to be attended by the directors of the finance departments of all provinces. Among the matters to be discussed will be the devising of measures to increase national revenue and the unification of provincial taxation. The date of the conference will be decided after the return to Nanking of Mr. T. V. Soong, Finance Minister.

The Finance Ministry has appointed Mr. Hsu Chi-chin and Mr. Wang Hsiao-lai to be director and vice-director respectively of the Central Mint at Shanghai. They have been instructed to make immediate preparations for the resumption of work at the mint.—Reuter.

June 26.

A set of nine measures relating to the formulation of the national budget was approved at a meeting of the Central Political Council yesterday.

The question of default in educational appropriations, which has seriously affected various higher institutions of learning, also received the attention of the Council. The discussion centred upon a proposal submitted by Mr. Chen Kuo-fu, which contains a concrete scheme for the settlement of appropriations in arrears as well as the earmarking of definite sums for educational purposes. The proposal was finally referred to the Education and Finance Committees for joint examination.—Kuo Min.

CONSTRUCTION OF HIGHWAYS

General Chiang Kai-shek Urges Speeding up of Work

Nanking, June 27.

General Chiang Kai-shek has issued strict orders for the early completion of construction of highways linking up the Hunan, Kiangsi, Kweichow and Kwangsi provinces, with Hunan as the centre of communication.

General Chiang has ordered the construction work to be completed not later than July of next year. It is stated that the main purpose of these highways is for facilating military communication in the provinces mentioned.—Reuter.

CHINESE BANKS TO BE REORGANIZED

Nanking, June 26.

That all Chinese banking institutions must be promptly reorganized in accordance with the Company Law is called for by the Ministry of Finance in a circular order.

The order points out that according to a previous ruling of the Ministry, the organisation of banks like other forms of corporate bodies, must conform strictly to the provisions of the Chinese company law. Although the said company law has long come into force, none except a few of the leading banks, such as the Central Bank, the Bank of Communications, has been reorganized in accordance with the law.

It is understood that a total of over 100 banking institutions have been instructed to proceed with their reorganization in accordance with the provisions of the Company law. —Kuo Min.

FOLLOWING receipt of reports that the Manchukuo authorities, backed by the Japanese, are attempting to annex the postal rights in the Three Eastern Provinces, the Ministry of Foreign Affairs was reported on June 25 to have lodged a protest with the Japanese Legation against this illegal action on the part of the Japanese. Should the reports prove true, the protest says, the Chinese Government will regard the annexation as having been instigated by the Japanese and all responsibility must rest with the Japanese Government.

HELP TO SHANGHAI REFUGEES

Executive Yuan's Order to Provincial Governments

Nanking, June 23.

The Executive Yuan has issued an order to the Hopei, Shantung and Honan provincial and the Peking and Tientsin municipal governments instructing them to work out effective measures for the relief of war refugees now in North China who have fled from Manchuria since last September.

The order states that if conditions permit, refugees are to be sent back to their native places at this ploughing season, but local authorities are to find employment for those who are unable to return to their homes at present.

The order also states that the local authorities should co-operate with local charity organisations and with the Railway Ministry for free passages to refugees.—Reuter.

CHINESE SHIPPING TO BE INSPECTED

Nanking, June 26.

To ensure safe travelling, rigid examination and inspection of Chinese shipping vessels is ordered by the Ministry of Communications in a circular order to all Navigation Bureaux.

The order states that special attention should be paid to old and obsolete vessels, which, owing to their age and dilapidated condition, may be unseaworthy, thus constituting a constant danger to the lives of passengers and crew. Such boats should therefore be carefully inspected to determine whether they are fit to engage in traffic.—Kuo Min.

CHINESE APPOINTMENTS

Loyang, June 26.

The National Government, in a mandate issued yesterday, officially relieved Mr. Quo Tai-chi, newly appointed Minister to the Court of St. James, from his post as Politicial Vice-Minister of Foreign Affairs. Mr. Hsu Mo, Administrative Vice-Minister, succeeds to Mr. Quo's post, while Mr. Liu Chung-chieh becomes Administrative Vice-Minister.—Kuo

CHINESE RAILWAY FUNDS

Boxer Indemnity Loan to Chekiang

Nanking, June 26.

In connection with the loan which the Board of Trustees for the British Boxer Indemnity Refund has agreed to grant to the Chekiang Provincial Government, it is learnt that the sum of £200,000 sterling, promised for the completion of the Hangchow-Kiangshan Railway across the province of Chekiang, will be utilized exclusively for the purchase of railway material from Britain.

To readjust the administration of the Hupeh-Hunan section of the Canton-Hankow Railway, the Ministry of Railways has ordered that a sum of $50,000 be set aside every month by the Peking-Hankow Railway Administration as a loan to the former Line. The Hupeh-Hunan Railway itself has also been instructed to retain all proceeds from the recent increase in its tariff for the same purpose. In both cases, the amounts are to be appropriated from June for a period of six months.

Reports from Tsinan state that plans are being drafted for the enforcement of a retrenchment policy in the administration of the Kiaochow-Tsinan Railway which is rendered necessary by the decrease in traffic earnings this year owing to the Sino-Japanese trouble.—Kuo Min.

THE Domestic Bondholders' Association has despatched a telegram to the National Government, requesting the authorities to lodge a strong protest with the Japanese Government against the forcible seizure of the Manchurian Customs by the puppet state of Manchukuo. The writers draw the Government's attention to the fact that the Manchurian Customs revenues amount to Tls. 40,000,000, a year and that the loss of such a huge sum of revenues will greatly affect China's credit not only in so far as domestic loans are concerned, but also foreign loans as well.

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The North-China Herald
Published every Wednesday.
PREPAID SUBSCRIPTION
(INCLUDING DELIVERY):
Shanghai .. .. .. Tls. 12 per annum
Other parts of China „ 13 „

All communications should be addressed to the Secretary, NORTH-CHINA DAILY NEWS & HERALD LD., to whom all remittances should be made payable.

THE PRINCE

June 23.

Throughout the Empire to-day loyal messages of congratulation will be despatched to the Prince of Wales on the occasion of his 38th birthday, and from Britons in other countries the same tribute of affection will be forthcoming. Not only will this be because he is heir to the Throne and as such commands the fealty of those over whom he may eventually reign—an event which in all fidelity it is to be hoped may be long deferred—but because throughout his life the Prince has shown qualities calculated to endear him to the inhabitants of the vast Empire. Though Princes are born to their high estate, adequately to fulfil its duties requires a lifetime of preparation, involves work often times more real than apparent and a realisation of the duty of service which is rarely brought home to those occupying more lowly positions. The duties which fall upon the Prince of Wales must necessarily be heavy, calling at times for a degree of self-abnegation which is often lost sight of by those more impressed by the dignity and honour of the office than by a realisation of all that that entails. Of the Prince of Wales it may be said with truth that from his earliest youth he has appeared impressed with the importance of his career to the destinies of the Empire, and has worked in a manner that has earned for him the deepest respect from those in immediate touch with him and the greatest admiration from the Empire at large.

No heir to the British Throne has been made so completely aware of the people over whom he may be destined to reign, no Prince of Wales has travelled so extensively in the Empire and outside it, no future ruler has had the same opportunity of studying imperial problems on the spot or of making acquaintance with those upon whom in varying degrees the burden of Empire is laid. The men of the House of Windsor have faithfully carried out the traditions of the Great Queen who preceded them, who might have wished to have done very much the same as they have done, but who certainly commenced the policy of sending members of her family abroad to acquire information likely to be of service to them in the work they ultimately had to do. But none of them so widely travelled as has her great-grandson whose missions to various parts of the world have been the means of making new and binding old friendships and have assisted in the furtherance of British trade to ar extent which even now is not fully appreciated. His tour of the South American states will be long remembered for the fruit it is already bearing and may be expected to bear.

It is because of the readiness with which the Prince's services are placed at the disposal of his King and country, the wholehearted manner in which he carries them out and the personal charm he displays in doing it that he has earned for himself an enviable position in the affection of the people of the British Empire. His tact, the manner in which he displays interest in the lot of the humblest of His Majesty's subjects, the very human way in which he handles men, all have tended to establish him in a degree of personal relationship with the British public which is probably unequalled. It is, therefore, the case that His Royal Highness will be greeted to-day by congratulations not dictated by an impersonal loyalty to an ideal, but by the love and esteem which he has earned by his work for the Empire, and amongst those felicitations will be not only those of the British community of Shanghai, but also of other nationalities, for the Prince has made himself an international figure.

THE DAIREN OUTRAGE

June 25.

"Unprecedented in the history of the Maritime Customs Service" is the comment which Sir Frederick Maze makes on the refusal of Mr. J. Fukumoto to carry out orders properly given to him as Commissioner of Customs in Dairen in regard to the remittance of local revenue to Shanghai. Sir Frederick naturally looks upon the refusal primarily in its disciplinary aspects, but it is obviously a matter also of grave political significance. Mr. Fukumoto's dismissal for "gross insubordination" has been approved by the Finance Minister who has already, in the most forceful manner pointed out the serious implications of the attempt of the Manchukuo administration to appropriate the revenues of the Chinese Maritime Customs at Dairen. It will be observed that the remittance to Shanghai was necessary—the sum involved is, it is understood, something in the neighbourhood of Tls. 14 lakhs—because of the falling off in revenue due to the general trade depression. Service of the Foreign Loans, indemnities and Domestic Bonds will be adversely affectea if the assault by Manchukuo on Customs Revenue is allowed to persist. It is idle at this stage to pretend that Manchukuo means anything more than the Japanese military authorities in Manchuria. Ever since the affair of September last, it has been obvious that Japanese officials in Chinese Government service there have been subjected to most improper pressure from the Japanese Government. They have been told that they are Japanese subjects first and Chinese employees afterwards and told, on occasions with very real threats of personal danger to boot. To that extent—and to that extent alone—sympathy goes out to Mr. Fukumoto. Yet it cannot be denied that the action of the Chinese Government in dismissing him is completely justified and that the chief blame rests on the Japanese authorities for putting him in an impossible position. This is all the more reprehensible because during the Shanghai trouble the Inspector-General of Customs went out of his way to protect his Japanese staff and, on that account, received a special message of gratitude from the Tokyo Government. Moreover, it is clear, Sir Frederick has shown considerable patience and appreciation of the difficulty of Mr. Fukumoto's position.

A Commissioner of Customs' main function is that of collecting and remitting revenue. A passive attitude such as that assumed by Mr. Fukumoto must at once become insubordination immediately it becomes incumbent on him to perform his duty. The intolerability of the position is that Mr. Fukumoto should be swayed by orders from others than whom he serves. But really Mr. Fukumoto does not come into the picture very prominently. The main issue is the extraordinary action of the Japanese Government in pretending that the puppet administration of Manchukuo has any right or colour of right to concern itself with the Dairen Customs which are worked under a special agreement between China and Japan. If it could be maintained that Manchukuo was in reality an independent administration at war with China, its seizure of Customs revenue at Antung or Newchwang might be justified as a legitimate act of war. Once it encroaches on the Dairen Customs it is going beyond its own declared jurisdiction and is committing a hostile act against Japan as well as against China. Yet a Japanese official, Mr. Kawai, to judge from Mr. Fukumoto's statement, has had the audacity to insist that remittance of the Dairen Customs, in compliance with the Chinese Government's orders, would be provocative and invite counter-measures by the Manchukuo authorities inimical to Japanese interests. Here again is the preposterous pretence that the Manchukuo Robot is an entity independent of Japanese guidance. If the Japanese Government can forcibly compel a Japanese subject in the service of a Foreign power to refuse to obey the orders of his employers, its impotence to induce its own nominees lavishly disposed in the Manchukuo administration in key appointments to refrain from countermeasures harmful to Japanese interests is highly pathetic but even more highly incredible. Mr. Fukumoto could be under fear of only one thing and that was grave personal danger for, by the orders received from the Inspector-General he was completely clear of any personal liability for the remittance of the revenue required. He is known to be a Customs official of great experience and, hitherto, marked devotion to duty. But of course he has been the victim of that form of pressure which, in the sorry tragedy of Japan's Manchurian adventure, has been a commonplace and a standing indictment of the methods of the Japanese authorities, as they have proceeded from one act of gross ill-faith to another, from the imposition of elaborately ludicrous espionage on visitors whether foreign or Chinese to the definite use of violent threats and actual violence itself in order to bolster up their precarious and ill-conceived policy.

Whether this latest example of the impudence of the Mukden clique will duly bring the Government at Tokyo to a realisation of its responsibilities remains to be seen. There was issued the other day a message to the effect that Japan was prepared to exercise her good offices towards the amicable solution of the Dairen Customs issue. An offer of that kind would be accepted with gratification if the facts justified a belief in its sincerity. For days past Tokyo had refused to admit that the assault on the Dairen Customs was contemplated. That technique has been the regular stock-in-trade of Japanese diplomacy ever since September last. It has lost for Japan incalculable sympathy the world over. When everyone knows that the Manchukuo Marionettes have to dance to the strings which their Japanese showmen pull the offer of good offices from Tokyo to intervene between Changchun and Kuantung ceases to be even a bad joke: it is a definite insult to the intelligence of those to whom it is made. As a clumsy attempt to obtain an oblique recognition of the status of the Manchukuo Government it is simply childish. Once more it would seem that a desperate fear of the eventual outcome of the grave economic and political position in Japan is driving the Japanese military authorities into another reckless challenge of the goodwill of friendly powers. The effects of Japanese action in Manchuria of late have been to encourage smuggling on a large scale to the grave detriment of ports like Tientsin. That is by the way; the real point to consider is that the whole trend of Japanese actions in Manchuria and elsewhere in China during the last nine months, in spite of specious denials and unexampled effrontery, has been to attempt to establish in China a Japanese hegemony which would deny to China the right to extricate herself from her own pressing difficulties and to other nations the right to trade in China, except by permission of Tokyo or whatever might be Tokyo's local militarist representative here or in Manchuria. There has been a withdrawal from Shanghai but it would be heavily discounted if, in extension of the present performances in Manchuria, Japan could put a stranglehold on the North by reason of her dominance in Mukden. That is the key to the problem which has grown in magnitude owing largely to unconsidered reliance on a Japanese Government bound ignominiously hand and foot to the unscrupulous and anti-social methods of a militarism run amok.

UNDER ARMS

June 28.

The magnificent loyalty shown by the Commissioners of Customs at Antung, Newchwang and Harbin, in resisting, to the last possible moment, the attempts by the Japanchukuo officials to take over the Customs deserves recognition by all who realise how serious is this assault on a service so closely interwoven with the whole commercial fabric of China. If the Japanese authorities had frankly stated from the beginning that Manchukuo was a protected state they would not have to their debit to-day such a record of chicanery and duplicity as has been created since that administration was brought into existence at Changchun, in accordance with the best traditions of opera bouffe. Their attempt to seize the Customs and other Chinese services would still have been open to criticism, but at least it could have been regarded as the logical act in enforcement of a rebellion against the *de jure* Government of Manchuria. The extension of their seizures to the Dairen Customs stands in a class by itself. The efforts of Tokyo to justify it on the grounds that Mr. Fukumoto has been wrongly dismissed are patently absurd. They overlook the admission by Mr. Fukumoto that his "passive attitude," which was defiance of the orders of his employers, was directly dictated not by Manchukuo but by an official of the Kuantung Leased Territory, that is by an officer of the Japanese Government. How can it be pretended that the Chinese Government can ignore insubordination, merely because it has been committed at the order of a foreign Government? Mr. Fukumoto's dismissal is a sheer pretext for action which the Japanese authorities have been contemplating for some time. When this journal, on June 13, announced that the Japanese authorities had decided to appoint an Inspector-General of Customs in Manchuria, it was met by strong denials which bore a close family resemblance to the shadows generated by Japanese diplomacy, ever since September last, to act as harbingers of coming events.

The Dairen Customs, resting as their administration does on a special agreement between China and Japan, are in an entirely different category from other Manchurian Customs. The action now taken to withhold their revenue from the Chinese Government is serious enough. It cannot be justified even by putting forward schemes for meeting from the withheld revenue a proportion of the service of the Foreign Loans. The question too of the use made by the Chinese Government of revenues obtained by it is plainly irrelevant. The chief point is that the Japanese have now started developments which may (in fact will, unless there be a rapid restoration of the position) undermine the Chinese Maritime Service and all for which that service stands. The feeble statements now being made from Tokyo and from the Japanese Legation at Peking would not convince the simplest schoolboy. The whole affair is equivalent to robbery under arms, as the stout but bland resistance by Mr. Prettejohn at Harbin has convincingly shown.

The contention that the issue is solely between China and Japan cannot be accepted. Every foreign national who has business dealings here is vitally interested. The strong protest of the Chinese Bankers in Shanghai shows how concerned they are at the possible effect of the Dairen seizure on the Foreign and, perhaps, on the Domestic Bonds. If anyone imagines that, by some mysterious device, the Customs Service can see one of its most important limbs lopped off and suffer no serious injury, he is an optimist who ought at once to be taken in procession before the Powers at Lausanne. They would appreciate him—perhaps! The seizure at Dairen, where Chinese Government employees have virtually struck at the bidding of a Foreign Government, strikes a heavy blow at the morale of the pivotal service which, if disintegrated, leaves China's trading condition in a plight comparable only with that of over ninety years ago. It encourages in China itself sinister imitations, whereby a *de facto* administration can lightly set at naught principles which, although sometimes with hesitancy, have been recognised by the most determined and irresponsible opponents of the Central Government. It may well be doubted whether the Foreign Powers are inclined to take so complaisant a view of the Dairen coup. Indeed it is expected that in spite of the gravest preoccupations elsewhere, strong pressure will be applied at no distant date to bring, late in the day though it may be, a sense of proportion to work on the direction of Japanese policy in Manchuria.

CLEAR THE GROUND

June 27.

Sir John Wardlaw-Milne—he was created a K.B.E. on the King's Birthday—has done a real service, in his letter to "The Times," by helping to clarify the issues regarding the proposed Round Table Conference on Shanghai. He emphasises the point that the future of Shanghai was, in effect, under discussion before the Sino-Japanese dispute, in its earliest acute form, was attracting earnest attention. He does not refer to the Feetham Report for, no doubt, he takes it for granted that that document cannot be ignored in such a connection. He relies on a belief that the present Government of China is anxious for the maintenance of the stability of Shanghai. That has been made abundantly clear by the specific declarations of that Government in taking part in the recent conference which led to the Shanghai agreement. He rightly detects in the attitude of the Government at Nanking a desire that a new spirit should be generated out of the recent troubles. Thereby he shows his conviction that Chinese participation in a Round Table Conference must be on the basis of equality. No question of imposing a settlement on China is raised. This makes of considerable importance the framing of an agenda agreeable to all parties. Both the League resolutions and Mr. Justice Feetham's Report are in accord on this point. Support for the Shanghai General Chamber of Commerce's proposal thus comes from a Member of Parliament who has won for himself a sound reputation, not so much by his speeches in the House—although they have not been negligible—as by his admirable work in Committee—an asset of much political value. No one will quarrel with his insistence on the urgency of the issue for, plainly, he qualifies it with recognition of the need for securing the Nanking Government's support, while rightly asserting the importance of Shanghai's stability to the acquisition by Nanking of the strength so much required for handling the present exceedingly complex political situation, charged as it is with highly vexatious economic difficulties.

Apart from the fact that the Feetham Report has been before the Powers concerned in the International Settlement since last Autumn, the creation of a Round Table Conference to preserve the safety of the International Settlement and the French Concession was specifically mentioned in the League of Nations "plan," known now

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as the Boncour plan of February 29. Unfortunately a fluid situation at that time in Shanghai—the Japanese attack which drove the Cninese troops away from the Chapei area occurred after the Boncour plan had been accepted—and much vagueness and uncertainty in the minds of the delegates to Geneva, led to some confusion in interpreting the various resolutions of the Council and the Assembly itself. It may be noted that, during the Shanghai conference, no official statement appears to have suggested that the Round Table Conference was therein mentioned. It has since transpired that the Japanese authorities, at all events, were under the impression that the League might be asked to convene a Round Table Conference and acted accordingly. For reasons which have been duly examined in these columns, the Chinese authorities were not so inclined to move, as long as the Manchurian issue had still to receive diagnosis by the League's Inquiry Commission. The time factor is of considerable importance, for the success of a Round Table Conference must depend on the creation of an atmosphere free from those electrical influences which too recent memories of controversial happenings would be likely to release. A conference staged to present the uncompromising indignation of the two principals lately at loggerheads, menaced or incited by fiercer partisans outside, would ingloriously fail. While, therefore, the ultimate submission of the Shanghai Problem to a Round Table Conference seems to be clearly indicated, and, as this journal has consistently urged, should be strongly supported, Sir John Wardlaw-Milne is on firm ground in his evident desire to dissociate such a conference from any idea of "forcing concessions that China would not willingly grant." In other words, the Round Table Conference on Shanghai, whether confined to that single issue or taking the form, as proposed in these columns in October last, of a general conference on Sino-Foreign relations, must be clear of any historical link with the Shanghai "incident" of this year.

Encouragement should be given to the proper cultivation of this idea with the view to the earliest possible meeting of the conference. It will be recognised, however, that the course of events in Manchuria has not tended to improve the chances of too rapid a movement in that respect. Moreover, it is highly desirable that time should be given for the completion and presentation of the Lytton Report and for the opportunity to remove out of the discussion important but local sources of Sino-foreign disagreement. Much has been done in bringing the discussion of the Outside Roads Problem to a point at which a solution is actually contemplated. There is also that exceedingly vital question of the District Courts on which, it is believed, not unfavourable influences are at work in Nanking. If that can be so solved that its reference to a Round Table Conference be unnecessary, both Chinese and Foreigners would gain, for an intricacy of that kind responds better to the skilled treatment of experts and local authorities than to the broad but, necessarily, less accurate attentions of a Round Table Conference. The Chinese Government could give no better proof of its desire to establish better relations with the important foreign community in Shanghai if it could at once set in train effective measures for rehabilitating the system of justice dispensed at the District Courts. Let it be at once admitted that the financial state of the country is a great embarrassment to the Government, as to most Governments, just now. Shanghai is an immensely vital factor in the solution of that problem. At present Shanghai, owing to the grave uncertainty existing regarding its future development, is unable to function as fully as it might in helping on the improvement of the economic situation generally. Actually, this journal believes, there is no cause for extreme alarm. Indeed Shanghai's power of recovery has shown itself once more as an attribute of peculiar virility. There can be no burking of the fact, however, that the absence of definite proof of serious intentions to provide for its integrity, recognised as imperative by Chinese officials and commercial men alike, tends to accentuate anxiety. It retards activities calculated to stimulate trade and dispel the haunting shadow of unemployment. This is said in no depreciation of the efforts of local authorities, like the Shanghai Municipal Council, the Mayor of Greater Shanghai and certain members of the Chinese Government, in their personal capacities, to rebuild on sounder foundations. But the business man, whether Chinese or Foreigner, who is the real contributor to Shanghai's prosperity and therefore importantly to the prosperity of China, requires what may be called documentary evidence before he can legitimately and sagely act on the assumption that the future of this great City is to receive the attention and the support which it deserves. That is why he rightly presses for early action to relieve Shanghai of the oppressive burden of controversial politics. He is all the more convinced of the justice of his claim, not because it means an accretion of security to Shanghai and, therefore, to himself, although, of course, that is a very proper incentive, but because such controversy as exists ought readily to yield to the treatment of reason and the greater part of it is unpalatable to all parties—Chinese, Foreigners and the Government—rightly concerned in Shanghai's welfare.

A FARCE

June 22.

The Government of China has again been compelled to affirm its faith in the enforcement of strict opium prohibition. Politically, in its present uncertain position, it may feel that any other course is impossible. Practically it cannot be congratulated on the continuance of a farce to which the moral weakness of one of the most fatuous fetishes ever adopted by western nations has contributed. Let inquiry be made from India:—

> "In 1907, being satisfied of the genuineness of the efforts of the Chinese Government to suppress the habit of consuming opium in China, the Government of India agreed to cooperate by gradually restricting the amount of opium exported from India to China. . . In May 1911. . . on evidence being shown of the suppression of the native production of opium in China. . . a further limitation was placed on exports to Chinese ports. . . As the export to China has ceased since 1913 these details are of historical interest only."

The only countries to which exports of opium from India are now permitted are the United Kingdom (medical opium), the British Far Eastern Colonies, Siam, French Indo-China and the Dutch East Indies—on official certificate, guaranteeing no re-export and the legitimacy of the uses for which the drug is required. Except for strictly medical or scientific purposes, the export of opium from India to the Far East will entirely cease in 1935, after progressive reduction since 1926. The quotation given and the brief statement following above represent the authoritative official exposition of the Indian opium problem.

When it be remembered that, in India, opium is not generally abused, despite the hysterical statements of superficial theorists, it will be agreed that a great sacrifice of revenue has been made for the sake of clearing India of any complicity in a traffic which has, admittedly, done much harm in China. The irony is grim enough to-day when the Chinese Government, unable to blind itself to the fact that opium cultivation exists on a large and increasing scale and that opium smuggling is a mere commonplace on the Yangtze, dares not break away from the policy of prohibition and adopt the only sensible and effectively restraining policy of licence. It is one of the misfortunes of the League of Nations that an important section of its activities has been given to the encouragement of much unhelpful propaganda on the opium issue without any real revision, on the basis of modern knowledge, of some of the more absurd notions concerning the opium habit. Harmful as that habit in excess is in China, the opium-suppressionists have turned what should be a severely scientific problem into kind of a crazy crusade of cranks. The result is that the unfortunate Government of China has to give lip-service to the principle of suppression which it knows to be not merely impossible but definitely encouraging to all the evils of smuggling, exorbitant prices and the crime following in the wake of these conditions. No administration probably has more experience in dealing with the drug traffic than that of the Government of India. That experience shows that the only satisfactory way of preventing abuses is to impose heavy licence fees on drugs. But even so it is recognised that the process of raising the price cannot go beyond a certain point without directly inciting the manufacture of illicit drugs or liquor. This was specially notable in the campaign against charas, the licence on which had to be reduced in order to regain control over the drug. The decline of opium consumption in British India has been very marked; in 1928-29 it was 6,771 as against 12,527 maunds in 1910-11, a maund being about 82.28lb. Some difficulty has been experienced in dealing with the new problem of the smuggling of cocaine, which is used illegitimately in India for the same purposes as in the West. But strict preventive measures and stringent legislation have effected a great deal.

Persistent propaganda concerning the opium traffic not merely misrepresents the Government of India's attitude but is definitely contrary to the actual facts. One of the most curious features of this campaign is the support which, it gets from otherwise well-meaning "reformers" who do not appear, incidentally, to observe that, although the Indian extremist regards any stick as good enough for his favourite task of beating the Government of India, he realises that the opium fallacy is really too fantastic for his purpose. Successive representatives of the British and Indian Governments at Geneva have fully exposed the mendacity of the anti-opium cranks but, judging by the voluminous propaganda issued from Geneva, these efforts do not deter the would-be humanitarians from persisting in their slanders while taking to themselves credit for the highest motives. India has long known—what Geneva discovered in 1925—that opium eating is not nearly so harmful as opium smoking. In fact, in moderation, it has definite value to health. Until, again for the sake ef Geneva's smug rectitude, the Government of India forbade the practice (while making due provision for addicts), opium was carried as an official ration by the sepoy of the Indian Army. It can hardly be pretended that he lost vigour or health in the process. It would seem that the need is for a drastic elimination of the crank in discussion of this subject. For the present difficulties of the Government of China must be largely accentuated by the manner in which a spurious moral importance has been given domination over the practical medical aspect of the opium problem. Strict opium regulation there should be but prohibition which cannot possibly be enforced is merely farcical. It results either in depriving the Government of a legitimate source of revenue or in putting the Government in the invidious position of hypocritically making the bootlegger one of its fiscal agents.

JAPAN AND U.S.A.

June 23.

It is satisfactory to learn that the difficulty over the treatment of Mr. Steele by the Manchukuo authorities is likely to be smoothed over by diplomatic negotiation. The arrival of the new American Ambassador at Tokyo has brought to Japan a helpful assurance regarding the attitude of the United States Government towards the maintenance of Peace in the world generally and in the Far East in particular. Viscount Ishii showed some frankness in referring to the rumours of an impending armed conflict between the two countries on either side of the Pacific. No responsible critic has encouraged the idea and the Japanese statesmen was on sound ground when he stigmatised it as absurd. Such an event would be a world-catastrophe of most unwelcome dimensions. It fortunately can be dismissed partly on the general trend of American policy and partly because of the physical obstacles presented to it. In America, as in Great Britain, there is a real sympathy for Japan, tinged with apprehension, because of the unfortunate signs of abdication by Japanese statesmen to the leadership of the General Staff. If the poignant appeal of Mr. Grew to the memories of the Great War can strengthen the better mind to find freer expression, there will be profound relief all the world over.

Viscount Ishii's reference to the improbable contingencies of Japanese interference in the West and America's attempt to dominate the East was, perhaps, but another way of discounting reckless rumours. Unless, however, an injustice has been done to him in the compressed version of his speech, he seems to have elaborated that reference by the use of extraordinary language. His contention that Japan was bent on pacific and natural expansion in the East would be accepted as an admirable definition of a policy genuinely in existence before the Japanese General Staff started to use the armed argument in China. Even so it might be accepted as an earnest of a desire to restore the policy at the earliest possible moment. What, however, could be the meaning of this comment:

> "The second contingency was if the United States should attempt to dominate the Asiatic continent and so prevent Japan from carrying out pacific and natural expansion. In this part of the world then the situation would be very grave."

It is true that the Viscount went on to disclaim any fear that the United States of America was concerned with anything more than the maintenance of peace and respect for her treaties. If, however, he was so minded, the implied threat in the passage quoted seems to have been unhappy to say the least of it.

Here again Japan suffers from a dual control of policy the exposition of which has, too often, to be given by the party whose control is more nominal than real. It is impossible to deny that every one of the Great Powers to-day hates the notion of war as the devil hates holy water. Even now, at Lausanne, the whole economic adjustment of the world's position is linked up with the problem of disarmament. The United States of America cannot be looked upon as committed to anything but a steadily pacific policy. She cannot, as Vicount Ishii recognises, ignore her commitments in the Far East. Nor can she, in common with other Powers, fail to point out that the general effort to establish the rule of world peace is based on an admission that the world itself progresses and that what was defensible and tolerable in pre-League days is not so regarded to-day. If that view could be impressed firmly on the mind of Japan, she would be able swiftly recover her much-needed international morale. Perhaps it may be Mr. Grew's good fortune to hasten the happy event.

A PENNANT

June 22.

A few days ago in certain judicial proceedings a learned gentleman showed himself badly informed on the record and standing of the Shanghai Volunteer Corps. He received on the matter certain correction from his colleagues of the long robe, but it may be suggested that even more definite enlightenment was given him on Monday by the unprecedented ceremony in which Mr. Wang Hsiao-lai, President of the Chinese Chamber of Commerce, and Colonel Thoms, Commandant of the Shanghai Volunteer Corps, v[illegible] the central figures. The decision of the Chamber of Commerce to express its appreciation of the way in which the Shanghai Volunteer Corps had helped to preserve the peace of the Settlement during the recent troubles did credit to the courage and sense of fairness of the Chinese merchants concerned. It may be said to have provided a real landmark in the history of the relations between the different communities in the International Settlement. The Volunteer Corps will of a surety treasure this emblem of the confidence placed in them by a very important section of the Chinese community. To the outsider it may seem almost platitudinous for such an interchange of compliments to take place. In point of fact, however, the misfortune of Shanghai has so often been that of seeing political prejudices overclouding the otherwise strong sense of fellow-citizenship that such a sign of solidarity is specially welcome.

To the discussion of the Shanghai problem this event will not be taken to contribute a startling or even a historic development. It is possible, however, to see in the attitude of both sides the assertion of principles which will be of great value when the future of Shanghai comes up for real discussion. The Chamber of Commerce, no less than the Chinese Government has expressed its plain desire that the integrity of Shanghai should be respected. It has laid emphasis on the success with which the Settlement has been preserved from serious danger at times of great national emergency. It presumably recognises the implications of the physical growth of the Settlement and the interests involved therein both for Chinese and foreigners alike. Further than this it is not necessary at the moment to go. It would, however, be doing an injustice to the Chinese Chamber of Commerce if the gracefulness of its tribute to the Volunteer Corps were allowed to pass without comment.

The Volunteer Corps is directly under the jurisdiction of the Shanghai Municipal Council. That Council has adopted a policy of close cooperation with the Chinese Municipality outside the Settlement. Its efforts in this direction have not been fruitless. In particular, under the influence of the present Mayor, General Wu Te-chen, who has expanded the process initiated by his predecessor, General Chang Chun, the relations between the Municipal Council and the Municipality of Greater Shanghai have greatly improved. It is, therefore, fitting that the Shanghai Volunteer Corps should be a willing focus of a new recognition by independent Chinese citizens of this cordial rapprochement. Indeed it is not too much to say that the Volunteer Corps itself, by reason of its composition and the *esprit de corps* which its successive Commandants have established, has provided in a non-political but none the less effective way for these better relations. In particular, the Corps owes a good deal to the ready grasp of the situation displayed by Colonel Thoms and his Staff. For it must be admitted that, if the Chinese Chamber of Commerce had not felt the utmost confidence in the head of the Corps, the ceremony on Monday could not have taken place. Congratulations, therefore, are due to all parties in this happy

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vindication of the essential unity on which Shanghai's International Settlement must depend for its security.

PUBLICITY

June 24.

The announcement appearing in a prominent position in Tuesday's issue of the "North-China Daily News" relative to the sale of property at the corner of Foochow and Kiangse Roads by the Shanghai Municipal Council has given rise to lively discussion in circles interested in land and others more concerned with certain general principles. The impression which has gained considerable currency was that the forthcoming sale had not been advertised, or that if it had been advertised the publicity given had not been as complete as would be desirable in the circumstances. Arising from these contentions there is a fear that all who might have competed for the property in question were not fully apprised of the forthcoming disposal and that, if that were so, there is some uncertainty as to whether the best possible price could have been secured for the land which has now been sold. Investigation indicates that there was in fact no advertisement of the forthcoming sale in the shape of a Municipal Notification published in that form; but in fairness to the Municipal Council it must be stated that sufficient indication of the Council's intentions appeared not only in the Municipal Gazette but the local press to put intending purchasers on the inquiry. The only question that can arise, therefore, is whether the manner in which this was done is a sufficient answer to all the criticisms which have arisen.

To arrive at any decision upon this point it is necessary to follow the various steps regarding publicity in this matter taken by the Municipal Council. On January 22, 1932, in what might be called the "news columns" of the Municipal Gazette the following statement was printed:—

SURPLUS COUNCIL LAND

Valuable Areas for Sale

During the current year, certain valuable areas of land owned by the Council will become available for sale. These areas include a portion of Cad. Lot 174 on the corner of Kiangse and Foochow Roads, surplus land at the corner of Chengtu and Bubbling Well Roads, surplus land in the Eastern District and the Sinza Market site. In order to secure the best possible price, the Council will probably decide to call for sealed tenders from intending purchasers in due course.

The important point in the above announcement is that the "Council will probably decide to call for sealed tenders from intending purchasers in due course." On June 3 of this year the following appeared in the same manner:—

SURPLUS LAND

Kiangse and Foochow Roads

With reference to a statement published in the Municipal Gazette of Friday, January 22, 1932, that a portion of Cadastral Lot 174 on the corner of Kiangse and Foochow Roads would during the current year become available for sale and that the Council would probably call for sealed tenders from intending purchasers in due course, notice is hereby given that two sealed offers have been submitted to the Council already and that the Council will be open to receive further sealed tenders until noon on Wednesday, June 8, 1932.

That was supported by communiqués to the same effect issued to the local press and published in the "North-China Daily News" of the same date; it cannot, therefore, be suggested that there was any secrecy in the procedure adopted by the Council. There is, however, reason to believe that there was some departure from the usual practice of making formal advertisement of the Council's intention. In the statement published in the Municipal Gazette on January 22, a reference is made to the property at the corner of Chengtu and Bubbling Well Roads. That forthcoming sale was formally advertised under the heading "Municipal Notification, No. 4224," on April 29 and May 6; it did not, however, take place, a fact which has no bearing on the matter under argument. The important point is that while one procedure was adopted with regard to the attempted disposal of the Chengtu-Bubbling Well Roads property, a different method was pursued with regard to the site at the junction of Kiangse and Foochow Roads. It should further be pointed out that whereas the invitation for tenders for the Chengtu-Bubbling Well Roads property was published on April 29, and gave until May 13 for the bids to be put in—an interval of a fortnight—in the case of the Kiangse-Foochow Roads corner site, the announcement of the willingness of the Council to consider offers appeared on June 3, giving possible purchasers only five days in which to formulate their schemes before June 8, the last day on which bids would be received.

Whether publication of such information as a Municipal Notification is sufficient to apprise possible purchasers of surplus municipal property is a matter of opinion, but there can be no doubt as to the propriety of adopting two different methods for doing the same thing. Persons who might read the advertisement columns of the Municipal Gazette, might possibly miss a statement in the news columns and vice versa, and a change may serve to throw them off their guard. If it is true that persons likely to be interested in such surplus land of the Council's look for notifications in the Gazette, which is a well recognised place for such, then it must be notifications which they should ordinarly be able to find and which should follow well defined rules thereby obviating any danger of their being overlooked. It should not be a notification one day and a "news-story" the next, for it cannot be too strongly emphasised that, in matters involving the sale of public property, established procedure should always be followed with the most meticulous precision. It is possible, with all justice, to go further and contend that not only should the form of announcement be standardised but that the widest possible publicity of the Council's intentions should be given to such a standardised announcement. While all municipal notifications are published in the Municipal Gazette, some of them, by reason of their importance, appear in the advertising columns of the local press. It is contended that the sale of municipal land is of sufficient importance for that practice to be adopted. There is support for this in the practice adopted elsewhere, in Hongkong for the disposal of Crown Land, and in London where the London County Council advertises widely when it has properties for sale. The reason is obvious. Every possible bidder for the land is wanted; in their competition the likelihood of the best prices being obtained lies, and though it is not here suggested that the best price for the site in question was not obtained changes in procedure must inevitably tend to create the suspicion that there is a danger of the best results not having been secured.

THE PUBLIC SCHOOLS

June 28.

"Plebeian," intending to ventilate what he felt was a legitimate grievance, expressed himself badly, attacked the wrong enemy and has consequently received a counter-attack of some vehemence. Mr. Tycho Wing, today hits the nail on the head with a terseness born of accuracy. In 1915, owing to the rush of public school men to the ranks in the previous August, the War Office were badly short of officers and so rapid was the intensified training that the life of a subaltern from the time he arrived in the front line was tragically brief. It will be recalled that men of the Artists actually commanded in France in 1914 in the uniform of privates of their battalion which was soon withdrawn from the line to become an Officers' Training Corps. But, at this stage, no-one would seriously attempt to deny the splendid spirit of the men of the Public Schools. Champions of them forget, however, that, in August 1914, the magnificent spirit of the "Old Contemptibles" and the way in which the city-bred youth of the elementary and secondary schools falsified Kipling's fiery doubt of their patriotism played no unworthy part in the "big game." It was to the great and undying credit of the Public Schools—using the term in the broadest sense and as well understood by Mr. Tycho Wing—that they had already produced the leaders in the officers of the regular army and were able to produce reinforcements of that breed from civil life.

And if the years 1914-18, with the comradeship of the trenches meant anything, they certainly did not mean that petty snobbishness which "Plebeian" set out to condemn but failed to find the right culprits. Even now it is not too much to say that that spirit is alert and, indeed, has just shown itself capable of stimulating the nation to rise to the height of a critical occasion once more. Thackeray once proved to most people's satisfaction that snobbery existed in every class. The proof would be no more difficult to-day. What can be worse than to reduce a controversy of this kind to a clash between those who were at Public Schools and those who were not? It might easily extend to examination of the claims of "Southron's" perfectly correctly classified 135 to be called Public Schools.

The whole question is not one of Schools but of tone or the building up of character. To the Public Schools credit must be given in the circumstance that the State-owned schools in England have avowedly adopted many of the principles and practices which are considered to have produced that Public School spirit in the accepted sense of the term. If to-day England were asked to point to the best example of the Public School Man the answer might well be the Prince of Wales; yet he, unlike his brothers, never went to such a school. Kipling, himself a Public School product, spared not the weakness of which "Plebeian" complains but his matchless tales of Empire pioneering are themselves masterly vindications of the Public School spirit. Of efficiency, whether of Public or Elementary Schools, there is ever plenty of criticism because, for some curious reason, the layman is always convinced that he knows the schoolmaster's job better than the schoolmaster himself. Dickens castigated the inferiority complex of the Elementary School, but he did not fail to bring from it characters to whom the term "gentleman" could have been applied as appropriately as to any from the institutions of "Plebeian's" despair. The logical course is to find out what both disputants mean and it will be perceived that they are wrong and right: wrong in believing that snobbery is the monopoly of any one form of School and right in maintaining that the quality known as the Public School Spirit is to be found not only in Public Schools but everywhere, if the principles of comradeship and citizenship are rightly followed.

THE Ministry of Education, according to a Nanking telegram, has issued an order to the various district educational bureaux and universities to carry out a three weeks' military training programme for students during the summer holiday.

A BEST SELLER

June 27.

To-day "The China Year Book 1932," is available for purchase by all who desire to keep themselves abreast of conditions in China and for that purpose, to be in possession of an armoury of facts marshalled by one who has special facilities for obtaining those facts and, indeed, special personal equipment for presenting them in readily accessible form. Mr. H. G. W. Woodhead and his publishers are to be specially congratulated on their refusal to make a fetish of a date in the delivery of a year book. Annuals which find their way on to bookstalls some three months before the New Year have their uses; the procedure governing their premature appearance is no doubt dictated by considerations of importance. Yet Mr. Woodhead has been wise to allow himself plenty of latitude and characteristically frank in taking advantage of the serious crises of the winter 1931-32 to justify a midsummer, instead of a New Year, delivery. The Book would have lost value if he had not; it would have been without the preliminary report of the Lytton Commission, the various official documents dealing with the Shanghai affair and other data for which it would been annoying to have had to wait until 1933.

Although, inevitably comparison is made with other annuals, it should be emphasised that the "China Year Book" has a special individuality of its own. It is no mere annual register of names and appointments. It is an encyclopædia in one volume form, containing all the informativeness of the encyclopædia and the romance of the novel. It brings the narratives of its predecessors right up to date. This issue includes new features such as summaries of the Feetham Report, a chapter on Climate—feelingly is that audacity noted at this moment—an account of the Yangtze Floods and various other exciting dissertations on this most exciting country. No one would seriously attempt to discuss Chinese affairs without having this handy blue book—in the non-technical sense is the word used—by his side. And solace is always provided by its existence for those who distrust the readiness of casual visitors to deliver themselves of opinions—valuable or otherwise—on the moral drawn from their study of Chinese affairs. For they cannot assuredly attempt the task without recourse to this book. It appeals with equal force to the laziest and the most conscientious among them.

The Editor in collecting his data, does not make the mistake of rejecting the assistance of special contributors. Practised as he is in the art of writing on China, he confines his "one man comment" to the columns of the "Shanghai Evening Post and Mercury." To his "Year Book" he gives much of his own energy and assiduous labour in the discussion of certain subjects, as well as performing the general editorship with care and distinction, only too clearly perceived by his brothers in the craft. He supplements this with specialist contributions from experts like Mr. E. Kann, on Finance, Mr. A de C. Sowerby, on Fauna, Mr. H. W. Kinney, on Manchurian Railways, Dr. J. B. Grant, on Public Health, Father Gherzi, on Climate, Miss Viola Smith, on Roads, Dr. W. H. Wong on Geology, Colonel G. G. Stroebe, on Floods, Dr. Ta Chen, on Labour, four prominent religious leaders, on Religions, seven Chinese political experts, on the Kuomintang and Mr. Donald King, on Insurance. This symposium, or, rather series of symposia, gives great strength to an already strong production. It remains to advise an early purchase, for obviously this "China Year Book, 1932," will be a best seller in China as well as abroad.

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NEWS FROM THE OUTPORTS

LAWLESSNESS IN HARBIN

Terrific Battles Between Japanese Forces and Chinese "Bandits"

Harbin, June 21.

According to Japanese information, terrific battles have been fought within the last few days. To-day a body of 1,000 anti-Manchukuo troops, the majority of them Red Spears, attacked the Japanese garrison at Hsingningnan, which is 15 miles south of Hailun.

Another force of 1,000 anti-Manchukuo troops is reported to have attacked the Hiramatsu detachment in Keetung, north-east of Koshan.

The Japanese state that they have captured 500 shells, 66 rifles and, large a quantity of ammunition. They report their losses to be 13 killed and 28 wounded and that 655 anti-Manchukuo troops have been killed.—Reuter.

Japanese Enter Walled City

June 22.

Part of the Hiramatsu detachment of the Japanese Army entered the walled city of Sinpin, west of Tungpeh, early in the morning of June 20, inflicting punishment on hostile Chinese troops, according to reports here to-day.

Japanese bombing aeroplanes caused the Chinese to flee and the retreating Chinese were heavily bombed from the air.—United Press.

June 22.

Conditions west of Harbin are still bad. The station-master at Antachan has requested that a larger garrison of Manchukuo troops be dispatched because of constant attacks by Chinese troops.

Lawlessness in Harbin

June 24.

The story of a terrible act of vengeance wrought by Chinese volunteers against their compatriots, who have enlisted in the Manchukuo army, has just reached Harbin.

The Manchukuo troops were marching northward from Tsitsihar and had reached a point 18 miles north of that city when a body of anti-Manchukuo troops attacked them on all sides.

Before the Manchukuo force could be completely surrounded the staff officer in command sent away a few men carrying documents and money to Tsitsihar instructing them to warn the garrison there.

Sometime later cavalry from Tsitsihar galloped up to the scene and found only the bodies of the staff officer and his 300 men, every single man had been slaughtered by the anti-Manchukuo forces.

Lawlessness in Harbin is growing apace and robberies and kidnapping have become every-day occurrences.

The police have been officially instructed to put a stop to this epidemic of crime and they have declared martial law and instituted the curfew.

Yesterday there was a daring train hold-up about 35 miles from Harbin. A west-bound train was speeding between two stations when bandits who had booked on the train as passengers climbed to the roof of the train unnoticed and crawled along to the engine.

They then shot the driver, a Russian, and forced him to pull up at a point several miles from the nearest town. They looted the train and decamped.

The wounded driver was, however, able to drive the train into the nearest station.—Reuter.

Attack on Tunghua Planned

Hsinking, June 25.

Another severe encounter between Japanese troops and the anti-Manchukuo forces is expected soon near Tunghua, according to Japanese sources, which report that 20,000 troops under Wang Teh-lin are preparing for an assault upon that city.

It is reported in Japanese circles that Wang Teh-lin's force includes 2,000 White Russians.—United Press.

Inspection of War Areas

Harbin, June 26.

General Honjo, commander of Japanese forces in Manchuria, has gone to Mukden after spending yesterday making extensive flying trips over the war areas of North Manchuria, including one flight towards Taheiho, in which direction the troops of General Ma Chan-shan are operating.

The situation along the eastern section of the Chinese Eastern railway is still unsettled. Chinese volunteers have captured again the towns of Shihtowhotse and Weishaho.—Reuter.

Chinese Volunteers Active

Nanking, June 25.

It is reported that Chinese volunteers under General Wang Teh-lin, after successful operations at Weishaho, have rounded up a considerable body of Manchukuo troops. Tungliao is also reported to have fallen into the hands of volunteers who drove out the Manchukuo garrison. The volunteers are now advancing towards Taonan.—Reuter.

Harbin, June 26.

A detachment of the Japanese troop was surrounded by over 600 regulars of General Ma Chan-shan at a point about three kilometres north of Suihua on the Hailun-Hulun Railway on June 25.

As the result of a severe engagement, five Japanese soldiers and a member of the South Manchuria Railway Company are reported to have been killed.—Rengo.

Shanhaikuan Situation Tense

Peking, June, 27.

The situation at Shanhaikuan has again become tense due to the forcible occupation of 30 civilian houses at Lichiawo, eight li (less than 3 miles) from the Shanhaikuan railway station for the quartering of 400 Japanese soldiers and 60 Manchukuo police units.

Japanese troops are now stationed at Palipu, Tiehchengpu, Kiumenkow and Shihmenchai and are secretly instituting defence works.

Another regiment under Yu Chih-shan has joined the Volunteers of eastern Liaonin. Fighting is still continuing along the Shenyang (Mukden)-Hailung Railway; the 2nd Japanese garrison corps and the 29th Regiment are being dispatched to reinforce the enemy.

Chingyuan district, on the Shenyang-Hailung Railway, which was captured by the Chinese last week, has been retaken by the Japanese. Fushun having been, raided by 20,000 volunteers and "big swords" corps, the Japanese have sent a detachment from Shenyang to strengthen the garrison there.—Kuo Min.

Gen. Araki and Manchukuo

Tokyo, June 22.

Japan's military work of bandit suppression in Manchuria will come to an end by the end of July, Lieut. Gen. S. Araki, the War Minister, announced to-day at a meeting of the High Military Council.

It was understood that the War Minister also stated that Japan may recognise the new Manchukuo Government before the Assembly of the League of Nations meets next autumn. Since Japan has decided to recognise Manchukuo sooner or later, it need not be restrained by a resolution of the League, the War Minister declared.

All attending members of the Council were said to have seconded the War Minister's view.—United Press.

Wholesale Slaughter

Mukden, June 21.

Attacking a Korean village south of Huanjen prefecture, yesterday afternoon a party of 50 bandits are reported to have slaughtered 30 Koreans and carried off 40 women.—Reuter.

Manchukuo Central Bank

Hsinking, June 24.

Specie reserve held by the Central Bank of Manchukuo is equivalent to about 70 per cent. of the bank-notes issued, it was revealed to-day. The Central Bank of Manchukuo has issued notes to a total of $130,000,000 and it holds specie reserve to the amount of $90,000,000. of which $70,000,000 is in gold and silver.—United Press.

Tokyo, June 24.

A special mission from Manchukuo, consisting of five girls, arrived here last night.—United Press.

MANCHUKUO MAY SEND TROOPS TO CHINA

Tokyo, June 21.

The disclosure that the Manchukuo authorities may dispatch troops into China proper in an effort to smash Gen. Chang Hsueh-liang's base of operations was made here to-day.

The startling revelation came from Japanese military circles, who expressed apprehension over the proposal, which they expect would lead to renewed confusion in North China.

It is reported that Manchukuo is determined to crush the so-called Volunteers in the Liaosi district, who have become very active recently with the assistance of regular soldiers of Gen. Chang.—United Press.

HARBIN INCIDENT DEVELOPS

Steele Case an Argument Against Extrality

Peking, June, 21.

Further diplomatic interest has been created in the case of Mr. A. T. Steele, of the "New York Times," and Mr. August Lindt, the Swiss correspondent, following the receipt of reports from Harbin that the Manchukuo officials at the instigation of their Japanese advisors, may use the case as an argument against the extraterritoriality privileges which foreigners enjoy in Manchuria by virtue of treaties between China and other Powers.

Harbin reports declare that the Manchukuo and Japanese officials are greatly incensed at the action of Mr. George S. Hanson, the U.S. Consul, and M. Reynaud, the French Consul for their action in the case of Steele and Lindt. M. Reynaud protested at the rifling of M. Lindt's room while Mr. Hanson advised Mr. Steele not to surrender his notes or documents.

Manchukuo officials contend that the American is abusing extraterritorial privileges and therefore these privileges should be abolished.

The case continues to affect the relations between the foreign Consuls and the new government and is giving rise to many important issues, including a consideration of the status of the foreign consular officials in Manchukuo. The continued refusal of the powers to recognise the new state merely makes the position of the Consuls more anamolous.

Document to Be Surrendered

Harbin reports of June 22 say that a settlement is nearing.

A tentative understanding on the terms outlined by Messrs. Steele and Lindt regarding the surrender of the disputed document, the stenographic report of the interview with Gen. Ma Chan-shan, is reported to have been reached and the correspondents were to hand over the document to the Manchukuo authorities.

The terms of the settlement are as follows:

Manchukuo authorities to return the property seized in the raid on the hotel room of M. Lindt.

Manchukuo authorities to render a suitable apology to M. Lindt and the French Consul at Harbin for the forcible entry into M. Lindt's room.

Manchukuo officials to issue a statement to the press absolving Steele and Lindt of any guilt in connection with the Manchukuo charges.

The incident be considered closed.

Steele and Lindt be permitted to retain a copy of the documents surrendered with the understanding that all the material obtained from General Ma may be used for newspaper purposes.

It is reported that the Manchukuo authorities have agreed to the first four condition but the fifth is still unsettled.

The object of the correspondents, it is reported, in agreeing to surrender the document is to demonstrate the sincerity of their contention that they do not, or did not, intend to forward it to the league but expected to use it for newspaper purposes only.

Chefoo, June 22.

The Rev. Charles Leonard, of the American Baptist Mission in Harbin, who is now in Chefoo, was interviewed to-day regarding the Tokyo News Agency dispatch which was released on June 18, charging him with carrying secret documents from General Ma Chan-shan to the League Commission, and also with having made a secret exit from Harbin.

The dispatch states that the documents were received from Mr. Archibald Steele, "New York Times" correspondent, when he and the Swiss journalist, Dr. Lindt, interviewed General Ma.

Mr. Leonard absolutely denies having received any such documents or messages. He states that his departure was well known by the American Consul-General in Harbin, and further that he also reported to the Japanese Consulate there for his visa prior to his departure for Chefoo.—Reuter.

NEGOTIATIONS FOR TREATY

Proposals Reported to Have Been Started

Hsinking, June 27.

A proposal for conclusion of a treaty of friendship has been made to the Manchukuo Government by the Government of Poland, it was announced to-day.

It was also learned that the French Government had asked the French Consul at Harbin for his opinion concerning conclusion of a Franco-Manchukuo commercial treaty.

It was understood that both proposals would be accepted by the Manchukuo Government.—United Press.

GHASTLY CRIME IN HARBIN

Woman Killed and Buried in the Cellar

Harbin, June 26.

A girl's inquisitiveness has led to the discovery here of a ghastly murder in connection with which a droshky driver named Kalambett has been arrested.

Kalambett lived with a woman named Kachalova as man and wife. A month or so ago the woman disappeared and Kalambett told the police, his friends and his adopted daughter that his wife had run away after robbing him of Yen 400. The daughter, who lived apart from her foster parents, disbelieved the story and noticed when visiting Kalambett that a stench was coming from the cellar of the house. She asked Kalambett about it and as he was vague and unsatisfactory she called in the police and had them search the house. They found the body of Kachalova buried in the cellar.

Kalambett has confessed that on May 3 he killed the woman with a spade because he was angry with her and he then hid the body.

He has been arrested and will be charged with murder.—Reuter.

PHILIPPINE REDS AND SOVIETS

Protection Against Attacks by "Imperialists"

Manila, June 26.

The Philippine Communists are holding a three-day convention here and at their meeting to-day passed a resolution to the effect that they would do all in their power to protect U.S.S.R. against "world-wide atacks by imperialists."

The convention meets under the auspices of the Kapisanan Ng Anak Pawis which means "Society of the Sons of Sweat." Crisanto Evangelista and Jacinto Manahan, both of whom are under sentence for sedition pending appeal, are the leaders of the convention.

Messages of congratulation have been received from the All-China Workers Union at Shanghai, the Pan-Pacific Trade Union Secretariat at Shanghai, the "Provisional Government of Soviet China, and the Trade Union Unity League of New York.

The opening meeting was notable for fiery attacks on capitalism, imperialism and on Governor-General Roosevelt's policy of salary reduction.—Reuter.

BRUTAL MURDER OF MISSIONARY

Serious Charges Against Japanese Military Men

Peking, June 22.

Although the only official information from the German authorities regarding the brutal murder of Father Konard Rapp, the Benedictine missionary, is to the effect that Herr Tigges, the German Consul-General at Mukden, has gone to Chientao to investigate the circumstances, an unofficial but apparently reliable account of the tragedy was received here to-day from other sources.

It is stated that Father Rapp was travelling on horseback near Lungchingtsun on June 5 when he encountered a group of Japanese soldiers, some of whom are alleged to have been drunk.

The soldiers stopped the priest and questioned him and began to abuse him because he did not get down from his horse to reply. When Father Rapp did dismount, the report proceeds, the soldiers beat him severely and prodded him with their bayonets.

On seeing that their victim was bleeding profusely, the soldiers thought they might get into trouble and, in order to destroy any evidence, killed him.

The body was found lightly buried in the sand on the bank of the river. It bore 35 bayonet and several bullet wounds.

Owing to fears that an anti-foreign demonstration at Chientao may follow the incident, the British Consul-General at Mukden has advised British nationals to withdraw by way of Korea.

June 24.

The Japanese delegation issued a statement to-day concerning the brutal murder of the Catholic priest, Father Konrad Rapp.

It says that on the morning of June 5, Father Rapp started out from his home in Yenki to attend the funeral of another Catholic priest at Wulingtung. He was unaccompanied.

At 9 o'clock that same evening he came to Wuhutsuitzu, where he passed in front of a band of Japanese sentries who were on the lookout for bandits. They asked Father Rapp his nationality and the object of his journey. In this way the statement asserts, the fact of his passing in that locality was ascertained.

Later, a report was brought in from a Korean that Father Rapp had been murdered and his remains were lying on the banks of a river one mile from Simbari. Immediately upon receipt of this news the Chief of the Japanese Police force detailed a sergeant to search for the priest's remains, which it was later revealed, had already been found by the local Catholics.

The Japanese Consul-General, recognising the necessity for verifying the case, hurriedly sent another police sergeant to the assistance of the first. As the two police were proceeding to the place which had been designated, they met Father Chow Sheng-tao carrying the body of the murdered priest. With the permission of Father Chow a Korean doctor examined the remains.

In view of the fact that the body was so horribly mutilated, the statement continues, and the fact that bands of communists and bandits are rampant in that locality, it is believed that Father Rapp was murdered by bandits who were opposed to his religion.

The statement concludes by saying that the murderer or murderers are still at large.—Reuter.

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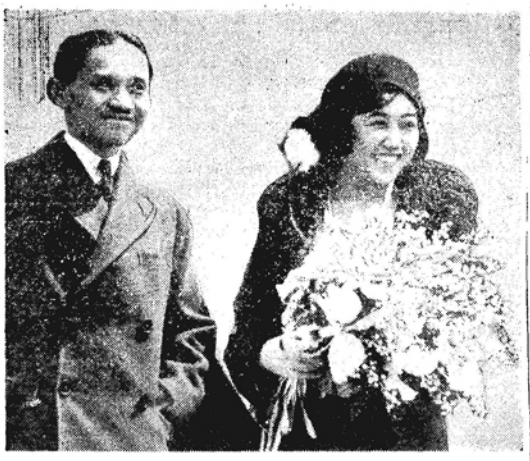


FIGURES IN NEW REVOLUTION

An informal picture of His Majesty King Prajadhipok of Siam and Queen Rambai Barni, taken on the occasion of their recent visit to the United States. As a result of the revolution King Prajadhipok becomes the head of a constitutional monarchy instead of an absolute monarchy which formerly existed.

REVOLUTION IN SIAM

King Agrees to Head Constitutional Monarchy

Berlin, June 24.

Reports from Bangkok to-day state that a revolution has broken out in Siam and the Royal family are being held as prisoners in the Palace.

The reports emanate from the German air-woman, Marga von Etzdorf, who telephoned the news from Bangkok to the offices of the newspaper, "Vossische Zeitung."—Reuter.

Bangkok, June 24.

A revolution which suddenly broke out in Siam to-day occurred in the Army and Navy and the action these Services took resulted in the establishment this afternoon of a constitutional monarchy in place of the absolute monarchy. King Prajadhipok has been placed at the head of the state as Siam's first constitutional monarch.

Several Princes and Ministers and other high officials are still held prisoners in various palaces in the capital and it is reported that the chief of staff has been killed.

The revolution took Bangkok completely by surprise. The Royal Family, except the King who was at the seaside resort of Huakin, was surrounded by the revolutionaries in the Palace and kept there as hostages to defeat any resistance that might arise.

Army and Navy officers who had joined the newly-formed "People's Party" appeared in the main streets riding on tanks and proclaiming the revolution.

Officers of the General Staff and members of the Government were arrested by the rebels and informed that a constitutional monarchy was being formed.

This was peacefully done this afternoon with the present King as the head of the new monarchy. The revolution has been practically bloodless and there was no general disturbance either here or elsewhere in Siam.

King Prajadhipok is expected to return to Bangkok immediately.—Reuter.

Berlin, June 24.

According to a dramatic telephone message to the "Vossische Zeitung" from the German air-woman, Marga von Etzdorf, from Bangkok the revolution in Siam broke out during the night and came as a complete surprise: not even the names of the leaders of the revolt are known.

Fraeulein Etzdorf describes how rebellious soldiers and sailors thronged the streets of Bangkok with tanks and machine guns in evidence everywhere.

Officers of the General Staff and members of the Government were arrested and the commander-in-chief of the army, who offered resistance, was shot.

It was only recently that the King of Siam opened the Bangkok memorial bridge to celebrate the 150th anniversary of his dynasty.—Reuter.

Bangkok, June 25.

The revolution in Siam appears to be a complete success for the King has telegraphed from Huahin, the seaside resort, saying that he is willing to act as the head of the new administration as long as his health permits. He adds that he has long recognised the desirability of a change in the status of the monarchy.

The leaders of the People's Party object to the word "revolution" being applied to what has occurred. They declare they are establishing a government by and for the people with the King's consent.—Reuter.

June 26.

Details of Siam's startling but well-planned revolution became more generally known to-day as information became available from various sources.

Under leadership of high officers, the Siamese Army and Navy revolted before dawn and seized all power in the capital.

Every member of the Royal Family was "rounded up" with care, the Prince of Nagor Svarga, who is Prince Regent and Minister of Interior, being taken from his bed in the Palace to the Throne Hall which was heavily guarded. The same procedure was followed with regard to the head of the National Police.

King Prajadhipok and Queen Rambaibarni, who were on vacation at a Hua Hin Peninsula resort, were the object of immediate attention and a cruiser was headed for them without delay. Telephone wires leading to strategic points had been cut during the course of the night. As the military passed to and fro in lorries, they were cheered by crowds in the streets.

Charges are made, in a manifesto published by the revolt chiefs, of royal oppression and cupidity on the part of the princes' clique. The manifesto declares that a limited rather than an absolute monarchy is wanted, and that unless King Prajadhipok agrees, a republic will be formed.

King Prajadhipok is charged by the revolutionists with giving offices to relatives and favourites. The latest manifesto says that the Royal family are being held as hostages and that martial law prevails.—United Press.

June 26.

The King of Siam, who was at the seaside resort of Huahin when the recent revolution was staged, returned to the capital to-day.

As the head of the new constitutional monarchy, the King got a tremendous ovation when he arrived.

The members of the royal family, who were imprisoned as hostages by the revolutionaries, are still being held in the palace and will have to remain there until the new Government has started functioning.—Reuter.

June 26.

In the course of a conference with Siamese People's Party leaders, King Prajadhipok accepted the draft of a new Constitution, it was learned to-day.

He said he agreed, in principle, with the idea of a constitutional monarchy but asked time to read the draft, promising a definite decision on Monday. Meanwhile he signed a royal enactment declaring that all the acts of the People's Party have been legal.

The King and Queen arrived here shortly after midnight and proceeded to the Sukhodays Palace, where this morning they received one civilian and one military leader representing the People's Party and attended by a military escort. They discussed the new Government and Constitution, understood to have been secretly drafted a year ago.

Boy Scout and police detachments greeted the King and Queen when they arrived at the royal Chitraladda Station. They proceeded at once to the Palace accompanied by Prince Purachatra, Minister of Communication and the King's uncle Prince Svasti, who were not molested and who were permitted to accompany the King as a royal courtesy.

Prince Alongkot, Vice-Minister of Defence in charge of the Siamese Army, received a different treatment, however. He left the train at the main station but upon arrival at the Palace he was imprisoned with the other Princes in the Throne Hall.—United Press.

PHILIPPINES AND FOREIGNERS

Governor-General Revokes Customs Order

Manila, June 24.

Governor-General Roosevelt has signed an order revoking immediately the customs order relating to the entry of foreigners into certain Philippine ports.

This customs order was signed by acting Governor-General, Mr. George C. Butte, on February 24 closing all Philippine sub-ports to foreigners, and was designed to prevent the illegal entry of Chinese into the islands and also to prevent the inflow of Japanese subjects to Mindanao.

It caused widespread protests among American and other foreign business firms who claimed that the order was discriminatory and unconstitutional.

The Governor-General has now revoked the order because of the discovery that the ban on such entry violates the existing United States treaties governing passports.—Reuter.

THE SIAMESE AUDIENCE HALL

The audience hall in Bangkok where the new constitution will be proclaimed. The structure was erected by King Chulalongkorn, predecessor to the present monarch.

BANQUET TO U.S. AMBASSADOR

Viscount Ishii on Current Rumours of War

Tokyo, June 21.

This evening the new American Ambassador to Japan, Mr. Joseph Clark Grew, with his wife and daughter, were given a welcoming banquet by the Japanese-American society. Prince Tokugawa, Premier Saito, and Viscount Ishii, former ambassador in Washington, were among those present.

Viscount Ishii delivered an address of welcome in which he said that the rumour had been allowed to spread all over the world that armed conflict between Japan and America may come. While intelligent people in both countries rejected the idea as absurd, the incessant labour of wicked propagandists gradually worked upon the innocent minds of the people.

Such a conflict, of course, was possible but only in two extremely improbable contingencies. These were, first, if Japan should be foolish enough to attempt unduly to interfere in the Western hemisphere, then war would be inevitable. But the Japanese Government and people knew their own business and were firmly determined to refrain from doing anything other than what was pacific.

The second contingency was if the United States should attempt to dominate the Asiatic continent and so prevent Japan from carrying out pacific and natural expansion in this part of the world, then the situation would be very grave.

But he was convinced that the concern of the United States in the Orient was only the maintenance of peace and respect for her treaties. Therefore, American intervention, as alluded to, was highly improbable, —as improbable as Japanese interference in the Western hemisphere.

The American ambassador, in his speech, emphasised that American interest was in a durable peace.

"While the memory of the dark days between 1914 and 1918 may gradually become less acute, the experiences of those years have instilled into the people of the United States a will to solidify, both in spirit and in fact, the structure of international peace which neither time nor circumstance can ever change," he concluded.—Reuter.

COMMUNISTS OF SOUTH HUNAN

Havoc Done to Section of Canton-Hankow Railway

Canton, June 7.

Communist disturbances in South Hunan have wrought havoc with the southern section of the Canton-Hankow railway, the revenue of which has decreased from $17,000 a day to $12,000 per day. So many towns in South Hunan are threatened or occupied by the Reds that very little goods are sent down to Canton.

The Hunan Provincial Government has monopolised the sale of salt, and only a small quantity of this product is imported from Kwangtung. As most of the salt from his province was shipped vib the Canton-Hankow railway, the salt monopoly in Hunan has a great effect on the receipts of this railway.

Talk is revived about the completion of this railway from Shaochow in Kwangtung to Chiuchow in Hunan, and when this unfinished section is completed, Canton will be connected with Hankow and with Peking by rail. Mr. Chueh Kongcheng is in charge of the construction work. As soon as he has received proper instructions from the Ministry of Railway, he will return south to undertake the work.

In the meantime, the Canton military authorities leave the Reds in Hunan alone, devoting attention to the Communists in Fukien. The local official press say that Kwangtung and Kwangsi troops will cooperate with the 19th Route Army to fight the Red hordes in Fukien. Genera Chiang Kwang-nai, commander of the 19th Route Army, who is reported to have arrived in Hongkong, will soon go to Amoy to take up his new post as Pacification Commissioner of Fukien.

It is learned that the Canton military authorities have decided to appropriate $200,000 every month as military expenses for the 19th Route Army. Similar appropriations were made in the past as expenses of this army in resisting the Japanese at Shanghai.

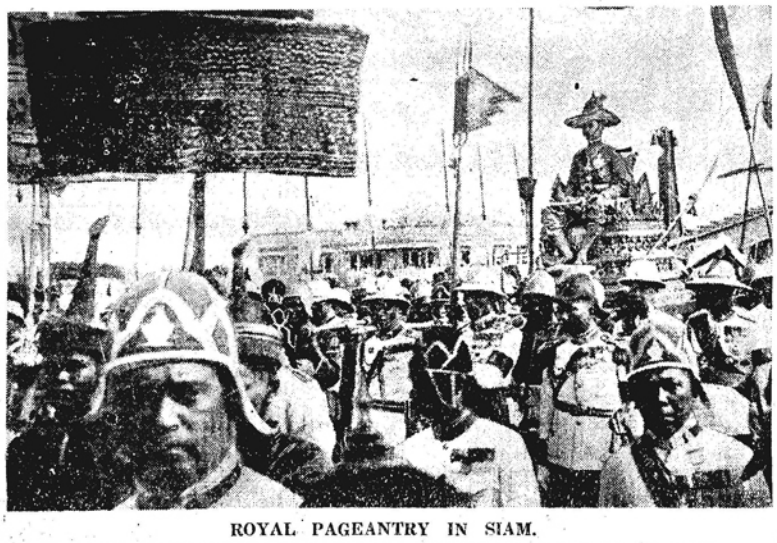
Definite news concerning the movement of Red forces in south Fukien is unavailable. Some reports state that the Communists are retreating towards Kwangtung, while others say that are retiring to their stronghold in Kiangsi. According to local military sources, Reds are not far from the Kwangtung frontier where it borders on Fukien, Kiangsi and Hunan.

THE Ministry of Finance, according to the "China Times", has decided to send $300,000 of the $500,000 which had been promised by the Central Government for the rehabilitation of Chapei and the relief of the war sufferers to the local committee for distribution.

Herald Subscribers

WHO are summering in resorts in the Far East where mail is readily delivered may, if they wish, substitute therefor the "North-China Daily News" by the payment of $1.50 per month, which includes postage. This will enable them to receive the papers several times weekly and will furnish them with local news in considerably greater detail.

NORTH-CHINA DAILY NEWS OFFICE
SHANGHAI



ROYAL PAGEANTRY IN SIAM.

His Majesty King Prajadhipok of Siam carried through the streets in a procession in connection with recent religious ceremonies in Bangkok.

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THE GROWTH OF BANDITRY

Composition of Communist Armies Discussed: Task of Government

FROM OUR OWN CORRESPONDENT

Nanking, June 18.

With the growth of communist activities in Anhuei and the subsequent appointment of General Chiang Kai-shek as Commander-in-chief of Bandit Suppression in Anhuei, Honan and Hupeh the centre of attention in Nanking has been shifted to a certain extent from the political issues to the red manace in the three provinces. When General Chiang Kai-shek left Nanking for Hankow one week ago it was thought that a general offensive against the communists would be launched shortly. But thus far General Chiang has remained in Kuling devoting his time to holding meetings with leaders of different provinces and, according to latest advices, the general has not yet made up his mind when to proceed to Hankow. It looks as if the projected drive against the communists will not take place for sometime to come.

Meanwhile the strength of the communist hordes in Anhuei, Honan and Hupeh is growing rapidly. The so-called communist army is composed of the following elements:—

1. Bandits. These bandits had their origin in Honan. In 1927 the number of bandits was very small and they were about to be exterminated by government forces until they received military supplies from the communists in Hupeh. In 1928 they formally claimed themselves to be the "Red Army" and they hoisted red flags and preached communism. This force was later joined by small bands of bandits and soon built up a strong force which forms the neucleus of the "communist army" now operating in the three provinces.

2. Deserted soldiers. The origin of these deserters dates back as far as the northern expedition of the Kuomintang army from Canton in 1927. When the Nationalists advanced into Honan under the command of General Chang Fa-kwei, better known as commander of the "Ironsides", they met with severe resistance from the Fengtien forces. As a result many Nationalist soldiers deserted the army. These deserters remained in the mountains plundering villages and towns to make their livelihood. When the bandit-communist army's strength grew the deserters joined the communists.

3. Surrendered government troops. In 1930 the troops under General Fang Cheng-wu, then Chairman of the Anhuei provincial Government, mutinied at Luan and they fled to the mountains to join the communists. Later, in March of 1931 the garrison troops at Yinshan also mutinied, carrying away more than two thousand rifles and several machine guns with them. These also joined the communists. In July of that year one full regiment of government troops were surrounded at Yinshan and disarmed by the communists. It was these elements which supplied most of the munitions to the communist army.

4. Whampoa Cadets. Since the organisation of the Whampoa Military Academy no less than ten thousand cadets were graduated. While thousands have joined the Government army a certain number of these cadets were left without employment. In order to seek a livelihood these unemployed cadets found their way into the communist army either by inducements or by some other way. These cadets are commanding the communist army and are doing most of the preaching on communism.

5. Famine-stricken peasants. These people form the majority of the army. In view of repeated civil wars many people in the interior have been rendered homeless and their lands devastated. When the communists started to preach communism they readily joined the army and do most of the fighting.

With the presence of many intellectuals the communist army is more or less well organised. The highest authority of the army is the Revolutionary Committee. In time of war it directs military operations but when there is no fighting the committee is reorganised and known as "district soviet government" under the leadership of a chairman. The chairman is always an honest man whose sole duty is to sign documents prepared for him by the secretary who is a representative of the Communist Party. The flag of the soviet government is similar to the soviet flag of Russia. Under the soviet government is seven committees known as the anti-reactionary committee, the justice committee, cultural committee, military committee, economic committtee, land committee and the food committee.

The Communist Army contains five different units, the Red Army, the Flying Column, the Red Guards, Women's Corps and Children's Corps. The Red Army is the basic organisation of the Communist force which is under the direct command of the military committee and is composed of well disciplined and well equipped youths. They only go to battle when the Communists are in immediate danger of being annihilated, otherwise they remain at the rear undergoing rigid military training. When they go into fighting they fight desperately. The only advantage with the government troops is that the number of the "Red Army" is not large and they dare not challenge the government troops in open fighting.

Next comes the so-called "Flying Columns". These units are not so well equipped and trained as the Red Army and they are under the direct command of district soviet governments. They are armed with various weapons from modern rifles to swords and spears. The units are composed of students, deserted soldiers and bandits. They have no definite stationing places simply moving all the time from place to place attacking and plundering as they go. In time of fighting they always stand at the foremost front with the "Red Army" supervising them from the rear. In case of any sign of defection the "Red Army" would shoot them from the rear.

After the "Flying Columns" comes the "Red Guards" which are under the direct control of peasant unions. These units mainly comprise innocent peasants and they have no up-to-date weapons except spears, swords, and the old style single-shot guns. Their duty in peace time is to kidnap the rich to demand ransom and to plunder those whom they know of, but in time of fighting they are the first ones to sacrifice.

Fourth comes the so-called "Women's Corps." This unit is again sub-divided into two categories one is called "Vanguards" whose duty is to dress up to vamp the government troops with the object of distracting the latter's attention from fighting and the other group is called "Service Corps" whose duty is to do the daily washing and mending for the communists.

Lastly the "Children's Corps." This unit is composed of children below fifteen years of age. Their sole duty is to hang up and distribute handbills for the Communists and other miscellaneous works of minor importance.

These Communist hordes are operating in Honan, Anhuei, and Hupeh despite the presence of government troops. They have now established their headquarters in southern Honan where they have established their capital at Huangchuan which name they have now changed into "New Moscow." Communists are now concentrating at several places, namely Kushih, Kaochen and Huangchuan in Honan, Hochiu and Luhch in Anhuei and Machen, Huangan, Huangkang and Chishui in Hupeh. Although their "Flying Columns" are operating in a much larger area they hold these places at their base of activities where they have set up a regular administrative organization known as the "Soviet Government."

Although the Government had appointed several commanders in Honan to take charge of the suppression task they have accomplished very little. Although the troops under Generals Li Min-chun and Chi Hung-chang have been stationed in southern Honan for a long time they never fought with the communists on a large scale. Although General Chang Fang, formerly Chairman of Honan Provincial Government, had attempted to drive out the communists his troops, being only about ten thousand men, were unable to do anything against the large number of "Red Army." For the past few months the troops under Generals Ma Mung-kwei and Liu Cheng-hua have done most of the fighting against the communists. But as General Ma has only ten thousand men and General Liu thirty thousand they could not exterminate the communists who run away at the approach of a large government force. Besides, both of these troops are stationed in the west of the Peking-Hankow Railway and consequently they could not proceed too far from their base which is in western Honan. As a result despite government efforts at suppression the communists suffered very little thus far.

Recently the communists in Anhuei attacked and captured Chengyangkwan, endangering the traffic on the Tsin-Pu Railway. Although they were ultimately driven back by government troops they succeeded in making off with considerable booty. These Communists are still active in northern Anhuei although the main body of these forces have moved into southern Honan to join the "Soviet Government."

The communists in Hupeh have changed the name of Huangan into "Hungan" or "Red Peace" where they have established their base of operations. They are operating in close co-operation with the communist forces in Kiangsi. Government troops are encountering serious difficulties in their campaign against the Reds. As the communists have no uniforms except the "Red Army" government troops could not differentiate a communist from a law-abiding citizen. Therefore when government troops arrive at a place they could not see any communists except ordinary unarmed peasants walking in the field. But when they got into their midst these peasants all turned into communists and attacked the government force from all directions. It was in the same manner that the troops under General Chang Huei-chan were wiped out in Kiangsi and General Chang himself killed by the communists and a similar fate overtook several other divisions in Kiangsi.

It is now learned General Liu Shih, Chairman of the Honan Provincial Government, has despatched two full divisions of troops to southern Honan to take joint action with the troops under Generals Chang Fang, Liu Cheng-hua, Ma Hung-kwei, Chi Hung-chang against the communists, in Anhuei General Chen Tiao-yuan's troops have been ordered to proceed to northern Anhuei to suppress the communists while in Hupeh General Hsu Yuan-chuan's troops have been ordered northward to take part in the joint drive. General Chiang Kai-shek will command the Peking-Hankow Railway front while General Li Chi-shen will command the advance from northern Anhuei. With the Government paying serious attention to the communist suppression task it is believed the campaign will to some extent turn out a success. But whether the communists could be exterminated is another question.

Gen. Chiang for Hankow

Nanking, June 23.

A Hankow dispatch states that General Chiang Kai-shek is leaving Kuling for Hankow within a few days. General Chiang has sent telegraphic instructions to the military commanders in Hupeh, Kiangsi, Honan and Anhui to organise local militias in their respective provinces as the most effective weapon against bandits.

Reported Defeat of Reds

June 27.

The Military Council has received telegraphic report from Government forces in Anhuei stating the capture from Communist-bandits on June 24 of Luan in western Anhuei, about 150 li west of Hofei. Government troops have already entered the city, it is stated, and are now in full control of the situation. Remnants of Communist forces are now retreating to the west bank of the Pi river, west of Luan and the right wing Government troops have advanced as far as Hoshan, south-west of Luan near the Anhuei-Honan border.—Reuter.

KING'S BIRTHDAY AT ICHANG

FROM OUR OWN CORRESPONDENT

Ichang, June 6

A very pleasant gathering took place at the British Consulate on the anniversary of King George's Birthday. Practically the whole of the foreign community, and a good many Chinese, civil and military officials and others were present at the invitation of the Consul, Mr. C. R. Lee. There were about 60 people present. It is gratifying to note the cordial relationships at present existing between the Chinese and foreign communities, and it is at such gatherings that kindly feelings the one to the other are expressed. The health of the King was drunk after a short speech was made by the Consul and a verse of the National Anthem was sung.

During the afternoon the Consul and Mrs. Lee held a very enjoyable garden party. The weather was excellent, and a few happy hours were spent in partaking of the good things provided for our refreshment, and in games of various sorts. Practically all the foreign community were present, and it was interesting to note that there were eight countries represented.

COMMUNISM NEAR WUHAN

Greater Activity Reported: Designs on Area

FROM OUR OWN CORRESPONDENT

Hankow, June 17.

Information received from various districts outside the Wuhan Cities, show that the Communists are again becoming active and from all appearances they are making another effort to reach here. Confidence, however, is being placed in the troops who are entrusted with the protection of the Cities, and especially in the 48th Division, who, although they are in arrears for pay, are Hupeh men, and therefore ready to protect their home areas. Aeroplanes are to be seen leaving here every morning, and returning some hours afterwards, and it is presumed that they are on the watch for any threatening movement that may be made.

The str. Paowo arrived here on Wednesday from up river and reported that she had been heavily fired on at No. 7 crossing which is about 150 miles from here, and one of the Chinese passengers was shot in the back. He was landed at Chengling, but succumbed to his wounds. These shots were no doubt fired by Communist forces who have been seen in the neighbourhood.

H. M. S. Peterel has arrived here looking rather the worse for her recent experience. It will be remembered that she went ashore near Ichang last month, and has only recently been refloated. The main damage is to the bows, and she is expected to leave for Shanghai shortly to undergo repairs.

Work has not yet begun on the S. A. D. 3 wall, although apparently a contract has been placed. The delay seems to be brought about by the inability of the Council to arrange with the Chinese City authorities to protect the area which overflows from the Native City, through the streets leading into the boundary road. This matter caused a lot of controversy during the flood last year, when the barricades erected by the S. A. D. 3, were removed and the water from the Native City allowed to pass into the concession. The present suggestion is to raise the path at the entrances.

LUCKY ESCAPE OF H. M. S. MOORHEN

Bombs Dropped Dangerously Near by Canton Plane

Hongkong, June 27.

H. M. S. Moorhen, of the West river patrol, while cruising near the Kiau island lighthouse in the Canton delta, yesterday afternoon was the object of an aerial attack by a Canton 'plane.

The 'plane swooped down and loosed six bombs, none of which, however, found its target, but nevertheless all of them landed dangerously near.

The naval officers are of the opinion that it was a case of mistaken identity as, at the same time, another of His Majesty's gunboats reported that they had witnessed an aerial attack on Admiral Chan Chak's gunboat, Chungshan, near Sauchau island.—Reuter.

Nanking, June 27.

It is understood that the Government has instructed the military authorities at Canton to accord every possible protection to the life and property of foreign nationals in Kuangtung, who may be exposed to danger as a result of the present dissenions in the province. It is learnt that the Government leaders have also telegraphed, in their private capacity, to the Canton leaders urging them to abstain from the use of force in settling their dispute at such a moment of acute national crisis.—Kuo Min.

COMMUNISTS OF HONAN

Problem of Eradicating the Scourge

FROM OUR OWN CORRESPONDENT

Kaifeng, June 15.

General Chang Fang, commander of the 20th route army, has been removed from the civil commissionership of the province and Mr. Li Ching-tsai has been appointed in his place. On assumption of office, Mr. Li has addressed a communication to the officers under him in which he stresses the necessity for all Government officials to lead an economical life, especially in view of the fact that the country is at present passing through difficult times. Mr. Li has been very busy during the past few days in devising ways and means of improving the administration of the province.

Mr. Chang Ting-siu, chief secretary to the provincial government, was good enough to give a special interview to your correspondent in which he dwelt at considerable length on the existing communist situation in the province. He said that all the big gangs of communist-bandits have been cleared away from the province but hinted at the possibility of their return in case the troops, at present stationed in the province, have been removed.

According to him, many of the communists have been drafted on to their ranks by lack of food and starvation and that the fundamental way of dealing with the problem was to increase the agricultural productivity of the land.

According to a telegram from South Honan, several thousands of people have gone to the communist ranks. They are now attempting to cut off the Ping-han line westward in Honan-Hupeh region, and the Tsin-pu line eastward in Anhuei region. In case they succeed in capturing Huangchuan, Kushih, Loshan, Kuangshan, and the neighbouring districts not only Honan province will be endangered, but also Wuchang and Hankow will fall into their hands. This chairman of the province has dispatched troops to suppress them.

Due to lack of military supplies, Government troops in South Honan are not a match for the Communist-bandits. They suffered a heavy loss recently in fighting, with the Reds in Kwangshan hsien region.

Peking, June 26.

According to a report received here from Hankow, bandits are at present attacking Kuangchow, in south-Eastern Honan.

All the American missionaries who were stationed there, have left for a place of safety.—Reuter.

SHANGHAI-TIENTSIN AIR SERVICE

Nanking, June 23.

The Shanghai-Tientsin airmail and passenger service, preparations for the operation of which have been going on during the past two months by the China National Aviation Corporation, will be formally inaugurated next month, it is learned at the Ministry of Communications. Sites for landing fields at Haichow, Tsingtao, and Tientsin have already been selected.

According to a tentative schedule, passenger fares will be as follows: Shanghai to Haichow $80; to Tsingtao $120; and to Tientsin $220. The entire route slightly less than 700 miles, will be negotiated in about seven hours.—Kuo Min.

ALL water restrictions imposed by the Government of Hongkong were removed on June 15, following heavy falls of rain which added 228 million gallons to the reservoirs.

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SUSPICION IN THE NORTH

Gossip Busy Predicting the Outbreak of Further Trouble: Military Activity

FROM OUR OWN CORRESPONDENT

Peking, June 15.

For the moment the Manchurian question and Shanghai have been relegated to the background, and the internal situation is attracting general attention. Based on various happenings in the South, political gossip here is again rife forecasting the impending overthrow of the present government at Nanking and its replacement by a left wing, or even extremist, group. And these rumours have received an added stimulus from the sudden outburst of military activity on the part of the Young Marshal who has recently been making a tour of inspection of the military camps in the vicinity of Peking, during which he has been exhorting the troops to have patience and to wait for better times. Seeing that the soldiers have only received two dollars each during the whole of the last six months, it would be interesting to know their views on the inspection. There have also been some minor troop movements—not towards Shanhaikuan or the Manchurian "front," but towards the boundaries of Shantung and Shansi provinces, the attitude of Han Fu-chu and Yen Hsi-shan, it is said, being very doubtful. As to the latter, these suspicions would seem to be unwarranted, for Dr. H. H. Kung, the former Minister of Industries, whom I saw on his way through here to Shansi, told me that Yen had repeatedly urged him to come and see him and had solicited his good offices with the Nanking government. Moreover, it is certainly strange, if there was any likelihood of an upset, that several of Feng Yu-hsiang's former generals, such as Sun Tien-ying, Peng Ping-hsun, and others—also General Shang Chen of Shansi—have actually been taking part in the inspection tour. They would hardly be likely to put their heads in the lion's jaws in this way if they thought themselves suspected.

On the other hand, people here are sceptical as to the possibility of any working combination of the Canton and Chiang Kai-shek groups. Since the fiasco of last winter the divergence of opinion has become even wider, particularly over foreign policy and the handling of the Manchurian question. The present government, it is said, still favour opening direct negotiations with Japan, as the only way to end the impasse, while the Cantonese group, relying on Soviet support, desire to exacerbate relations and bring on further military operations in the hope of "breaking Japan's back" financially. But a change of government at Nanking is likely to cause considerable changes up here, for no matter, whether the Cantonese group could keep a hold on the North or not, Chang Hsueh-liang who is entirely dependent on Chiang Kai-shek would vanish from the scene.

Thus in spite of the much-vaunted anti-civil-war movement the talk is all of war possibilities. As a matter of fact, this movement does not seem to have made any great impression here in the North. Chinese, other than politicians, say that they have always been against civil war, but owing to the present system under which the country is governed have been unable to prevent it. They point out that the idea somewhat resembles, *in petto*, that of Peace and the League of Nations and raises the same difficult question of "Who started it?". For, of course, nobody ever "starts" a civil war: You merely assert your right to disagree with the corrupt and inefficient government of your political opponents. And the other side of this picture was very strikingly confirmed to me by a talk I had with an important person, high up in the Kuomintang hierarchy. He was a strong believer in a powerfully centralised government as against a system of federalism, and also claimed to approve of the anti-civil-war movement. When I suggested that the two were scarcely compatible, as that movement would prevent the Central Government from suppressing the secession of any part, he replied that, of course, the movement did not include the suppression of a revolt against the government or other form of banditry. So it would really only seem to be a question of names.

The chaos in educational conditions here continues. There was quite a violent student riot here last Saturday. On the modern principle that students have the inalienable right to select their Principals and other teachers, the students of the Normal University announced their intention of sending a deputation to Nanking to force the government to cancel the appointment it had made to the chancellorship of that college. But in order to prevent the scenes at the railway-station and the holding up of trains that took place last winter, a strong body of police surrounded the university. And when the students tried to issue forth a fierce battle took place, in which they bombarded the police with bricks, stones, bottles and anything else that came to hand. Even the presence of the Director of Public Safety, General Pao Yu-lin, failed to intimidate the students, and the riot was only quelled, after several policemen had been hurt, by the use of fire hoses and by firing rounds of blank. There followed sympathetic strikes of other colleges and the usual recriminations.

Chinese educational circles do not ascribe the general unrest at the colleges to Communist propaganda or to the machinations of other political parties. They say that it is quite easily explained by the near approach of the examinations which many students are always anxious to avoid, and by the fact that many classes are closed down owing to the teachers going on strike and that the teachers who are dissatisfied at the non-payment of their salaries help to stir up trouble. That it is quite useless for the Minister of Education to send violent telegrams to Chang Hsueh-liang urging him to take strong measure to suppress the students. That the only way to restore even a modicum of order and discipline in the colleges is for the government to pay the teachers regularly and properly, so as to get the classes going properly again.

The action of the British and American governments in agreeing to a moratorium on the Boxer Indemnities been much and unfavourably criticised. It is ascribed merely to the desire of these governments to curry favour with present people in power at Nanking. As one educationalist said to me: "You give up your control of these funds, just at the very moment, when alone we required any control from your side!"

Nor are educational circles very greatly impressed by the recent proposal of the Educational Yuan to cut out all teaching except in medical and technical subjects. In the present state of chaos in educational affairs such a sudden reorganisation would be quite impossible, and more especially, it would require quite a different kind of government from the present one to carry through such drastic changes which would cause the bitterest opposition amongst thousands of the educated classes.

YANGTZE RISE CONTINUES

Watermark Reaches 38ft. at Hankow

Nanking, June 27.

The rise of the Yangtze continues.

A dispatch from Hankow states that the watermark of the river there two days ago was 35½ ft., but that yesterday the water rose another 16 inches. There are indications that the water will rise continuously owing to the incessant rainfall.

From Hunan another message has arrived stating that the motor roads along both banks of the Hsiang river are inundated.

The low-lying districts in the vicinity of Changsha, Hengyang and Laiyang are already flooded and appeals are coming into the provincial capital asking for relief for the flood refugees.—Reuter.

Emergency Steps

Hankow, June 27.

Low-lying areas in the Wu-Han Area are inundated as a result of the torrential rains during the past week. The downpour did not cease until last night but by that time it had added another 15 inches to the level of the Yangtze River.

The watermark at the Customs now registers 38 ft. 2 in. being only 8 in. below last year's record for to-day.

Reports from up-river state that the River is also rising at Ichang, Chungking and other ports. Local authorities are taking emergency measures at all danger points.—Kuo Min.

Floods are already reported from various districts in Hunan and Kiangsi.

THE BANDITS IN S. KIANGSI

Suppression Which Never Took Place

FROM OUR OWN CORRESPONDENT

South Kiangsi, May 23.

Things are moving fast in this region, and the troops are proving what they can do when they have a will. Day by day they are out here and there harrassing the bands of bandits, meeting with resistance sometimes, but always defeating the Reds. Such work is costly in men and money, but there is no other way of doing the job save go straight for them being prepared to take and give hard knocks.

I have noticed in your paper at times where a few months have been allotted to such and such to wipe out the Kiangsi Reds. It would be as true to allow as many minutes, and would just work out the same way, if it were possible to employ all the troops of the Nanking Government every man, the work could not be done in a few months. Such work needs time and strategy, men and money, generalship and a willng army.

Your report as given from the Pacification Commander's office of battles down here on stated dates, are not in accord with facts and those reported battles did not take place. It was very likely, someone taking advantage of a bit of good advertising.

The country around is more open than for some time, but it is still not too safe to be far away from the city, and many of the country markets are daily suffering from the rapaciousness of the local Cheka. The country to the West of Kanchow and right to the Hunan border is said to have been divided in accordance with the Soviet system, only allowing enough land for the support of the family and confiscating all over and above that amount.

The local press prohibits anyone ransoming those who may be taken to hold for ransom, and threatens to treat those who pay the money as they would treat the Reds. This we presume is to cut away at least one avenue by which they obtain money. Every little helps. Repairs are going on steadily on the gates and walls damaged by the Siege, but when you know that there have been several hundred men working on them ever since the middle of March, and that they have not yet got the foundations in, you will understand something of the work of destruction done by the Reds.

I think it is safe to say that since they were chased from Kanchow they have had very little rest, and have met with many a defeat. The present Army in occupation seems to be of a like nature to the now famous 19th Route Army, they fear nothing, and go direct for the enemy wherever possible.

Refugees are still many, and there seems no hope of a time of quietness arriving such as would allow them to return to their homes. I am informed that the crops are being put in throughout the districts ruled by the Soviet, but only by the few who were granted fields by their division. The land is not being looked after as it would be if the real owners were labouring it, and consequently the harvest is not to be expected in such abundace as usually is in those parts.

Not long ago all the farmers in that locality were ordered to bring all their grain to the Government office, and thereafter daily come and receive the allotted ration. The answer to that was a surprise visit of two regiments which put an end to the Government.

U.S. LEGATION FEELS DEPRESSION

Possibility of Drastic Cuts in Expenditure

Peking, June 27.

The American Legation in Peking will in the future feel the pinch of the world trade depression.

According to a report received today, during the financial year, beginning on July 1, all members of the Legation must take one month's holiday without pay. In addition, it is likely that their salaries may be reduced at least 10 per cent.

It was further stated that all the Legation's contingent expenses must be reduced at least 25 per cent.—Reuter.

THE Ministry of Industries is reported to have decided to earmark $400,000 towards the expenses of the Chinese exhibitors at the forthcoming Chicago Exposition next year.

MORE POLICE FOR KULANGSU

Ratepayers Agree to Tax Increase

Amoy, June 16.

Early last week four ships arrived at the mouth of the river near Chuanchow conveying troops belonging to the Nineteenth Route Army. These soldiers immediately occupied the city which was gaily decorated for their reception. This first contingent is said to have consisted of about 9,000 men, the majority of whom have already moved out to occupy the surrounding district and further transports have arrived bringing fresh drafts from the north. Chuanchow is a city lying about sixty miles to the north of Amoy and apparently it has been chosen as headquarters in South Fukien of the Nineteenth Route Army. The general formerly in charge of the district still remains in the city with his forces, but both he and his men are apparently being absorbed into the main body. Chinese and foreigners alike speak highly of the order, discipline, and courtesy of the new troops. Several of the men are being treated in the local Mission Hospital for wounds received in the recent fighting in the Shanghai area.

On the withdrawal of the Communist forces from Changchow, General Chen reestablished himself in control. His previous desertion of the city, however, does not strengthen the confidence which the people are asked to place in their deliverer. It is said however that further contingents of the Nineteenth Route Army may be expected in the immediate future to take over control of the city and district.

With regard to the foreigners' houses in the Changchow district, although some have been stripped absolutely bare others have suffered less severely and several missionaries on their return last week were able to recover a considerable amount of their goods. In several cases more damage appears to have been done by local bandits than by the Communists.

A special general meeting of the Foreign Ratepayers of the International Settlement of Kulangsu was held in the Council Board Room on Friday June 10 to discuss a proposed increase of taxation in order to provide a larger Police force and more adequate scavenging staff. M. Fernand Roy, Consul for France and Senior Consul occupied the chair. The Chairman of the Municipal Council, Mr. H. J. P. Anderson, explained the reasons which made it necessary to make this increase, and asked the Ratepayers to agree to the following resolution:

That from July 1, 1932, until further notice has been given by the Council after a re-assessment of developed property on the Settlement has been made, the Municipal rates and taxes be collected on property at the following revised scale viz:—

1.4 per cent. of assessed value to be collected from owner on all property owned and occupied by Chinese and on Foreign-owned property rented by Chinese.

0.7 per cent. of assessed value to be collected from owner on all Chinese property rented by foreigners.

7 per cent. of assessed rental to be collected from tenant on all Chinese owned property rented by foreigners and on foreign-owned property rented by foreigners.

On being put to the meeting this proposition was passed by twenty four votes to one.

Certain impending vacancies on the Council were then discussed and the meeting passed the following resolution:—"That this meeting of Ratepayers expresses its appreciation of the services rendered to the Community by the members of the Council during the recent emergency. It regrets that certain members of the Council will be leaving, and trusts that those of the remaining members who were contemplating resignation will be willing to continue in office during the period for which they were elected.

COPING WITH TIBET SITUATION

Nanking's Proposed Measures to Resist Invasion

Nanking, June 22.

With reference to the Tibetan invasion of Tsinghai the latest advices state that Tibetan re-inforcements have recently arrived and are now advancing upon Yushu, a strategic point on the Tsinghai border.

Chinese troops under General Ma Pu-fang have now rushed to Yushu to check the advance of the Tibetans and fighting is reported to have broken out in the vicinity of Yushu.—Reuter.

June 23.

It is stated that measures have been formulated by the Central authorities for coping with the Tibetan situation. Besides instructing the Szechuan and Kokonor (Chinghai) Provincial Governments to despatch troops to resist the invasion of the Tibetans, the Kokonor Provincial Government has also been ordered to mobilise. The proposed measures include:

Repair of the old ramparts along the Szechuen border to strengthen the national defence.

Establishment of military transportation stations at Yachow, western Szechuan, and Kating (Tatsienlu), eastern Sikong, to facilitate military movements.

Organisation of engineering corps for road and bridge construction.

Reorganisation of guards of the various Lama temples in Szechuan, Kansu and Kokonor. These guards are seasoned fighters.

Co-operation of the various tribes of Szechuan and Kansu against the Tibetans.—Kuo Min.

June 25.

The National Government, according to semi-official sources, is contemplating the appointment of Mr. Shih Ching-yang as special pacification commissioner for Mongolia and Tibet.

Mr. Shih, who is chairman of the Government Committee for Tibetan and Mongolian affairs, was recently appointed to proceed to Szechuen and beyond to effect an amicable settlement of the dispute which has arisen between Tibet and Sinkiang.—Reuter.

NANKING is desirous of making the capital and its environs a fit place to live in so, as a first step, an order has been issued to the police authorities at Hsiakuan to get rid of all loafers and undesirables who haunt that district and who are a constant bother to people arriving by train or steamer.

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DRAMATIC KIDNAPPING IN HARBIN

Authorities Obliged to Come to Terms with Bandits Before Crowds of Spectators

FROM OUR OWN CORRESPONDENT

Harbin, June 12.

Though trade is dull and business slack, there seems to be one flourishing enterprise in Harbin at present, and that is the art of kidnapping. Following the kidnapping cases of the last couple of months, the past week has been one of attempts and actual captures such as never have been seen in the town before. Besides the captures of fishermen on the river, who have had to pay sums from $100 to $500 each as ransom money, there have been three attempts to kidnap persons of importance, which have been frustrated, more by luck, than by the efforts of the authorities to suppress banditry.

The first case was that of Mr. Lu Tai, a well known Chinese banker and merchant, as well as the owner of much property. Several armed bandits went to his house and got into the yard, but it so happened that his son had two young friends with him, one of whom so quickly gave the alarm by telephone to the police, that it was all the men could do to escape with their lives. Whether it was Mr. Lu Tai himself or his son they were after, is not known, but in any case this attempt proved a failure.

The second case was that of Mr. Tarasenko, a wealthy wholesale merchant, who was kidnapped last year, but got off for Yen. 10,000, the kidnappers apparently considering that he should pay more, having another try. They smashed the door of his house and asked for him, but they had made a mistake, as he had removed to other quarters in secret after his first seizure. Fearing the advent of the police, the bandits drove off in a car, which, as is usual in these cases, bore a forged number plate.

The last case occurred yesterday and is the most sensational one that has ever occurred in Harbin. Four well dressed men called at the private residence of Mr. Chang Shu, President of the Auditing Committee of the C.E.R. and immediately the door was opened, presented revolvers at the astonished servants, who fled. Mr. Chang Shu guessing what had happened, jumped out of a window, crossing his garden to the Railway Club just behind, and informing the police by telephone, almost before the kidnappers had had time to go upstairs and search for him and his family. The hue and cry was raised immediately, telephone calls being made to all parts of the town and to military headquarters as well as to the police.

The shrill whistles of the police, the hooting of motor cycles, the galloping of armed men on horseback, the speed with which police vans packed with fully armed police, rushed from all parts of the town, caused a sensation, the general public quickly making their way to see the spectacle of armed bandits holding up the entire police force of Harbin. Every window of the Polytechnic Institute, as well as the roof was crowded with students and their friends, while others paid a few cents to stand on the top of buses and motor cars to watch the proceedings.

It soon became known that the kidnappers had given notice that they wished to kidnap Mr. Chang Shu's daughter and that if one shot was fired at them, they would kill, not only her, but the whole family. A young girl appeared at a window and begged the police not to fire, this adding to the tense excitement of the crowd which had gathered, numbering several thousands.

The Police being fully aware that the threat would be carried out if they fired, waited instructions from headquarters, which soon came in the form of an order from the Civil Administrator, General Chang Ching-hai, not to fire a single shot. The chauffeur of a police van was selected to carry on negotiations with the bandits, who after some talk agreed to a sum of $4,000 being paid, provided that they might take the daughter as a hostage. The bargaining went on for five hours, the final arrangement being that the police should supply one of their own cars with the chauffeur who had carried on the negotiations to drive the bandits outside the town, and that three servants should be taken instead of Mr. Chang Shu's daughter. One of the bandits was permitted to come out and look at the neighbouring streets to see that there were no ambushes arranged and on his return to the house, the ransom money was paid over, and all was ready.

The scene may be imagined as up to the last minute there was a doubt as to whether the kidnappers would carry out their side of the agreement. A Chevrolet car with closed windows and bearing a police number, drove into the yard of the house and through a row of police, the bandits came out leading the President's three servants with them, all entering the car. A dead hush fell on the great crowd as everybody feared to speak, while not one policeman or soldier dared make the slightest sound which might convey the movement of rifles or revolvers.

At a given signal the car dashed through the gateway, and turning into the main road, where instructions had been given to allow it to pass at full speed, was driven out to a spot well outside the town in the direction of the hills and wooded lands. Here the kidnappers got out, wished their companions a pleasant trip home and with revolvers cocked, ordered the chauffeur to turn round and drive the hostages home, A large crowd waited the return of the car and immediately afterwards, all the leading men of the town headed by General Chang Ching-hai, the Civil Administrator and Mr. Li Shao-keng, the C.E.R. President, arrived to congratulate Mr. Chang Shu and his family on the successful issue of the affair.

It is probable that never in the history of the world has such a scene been witnessed, when bandits of the worst class calmly drove through rows of police and soldiers in a police car, not one person daring to raise a finger against them. The incident was one that will never be forgotten by all those who saw it and will be the subject of talk for many days to come.

Wealthy residents are afraid to let their children out in the streets and are themselves in terror of being kidnapped at any moment, the daring of the bandit gangs being equal to the best of the American type.

Yesterday's incident has caused a storm of protest on the part of Chinese and foreigners alike, with the result that General Hirose, in command of the Japanese Military Mission, has received telegraphic instructions to use all his men for the purpose of exterminating the bandits which are now infesting the whole of Northern Manchuria and particularly round Harbin.

Even to think of going to any country resort this summer is quite out of the question, thus the railway will lose not only an enormous sum in excursion tickets but also in the letting of its country houses at its many delightful health resorts.

BIG CANAL SCHEME COMPLETED

Irrigation Project Will Water Tremendous Area

Sian, June 21.

Formal opening of the Chingwei Canal, in Shensi province, marking the successful conclusion of an ambitious irrigation project, took place yesterday at Changchiashan, north of Sian, where the canal begins its course.

It may be recalled that as early as 1922 the scheme of building a canal for irrigation purposes in Shensi was planned by Mr. Li I-chih, the present Provincial Commissioner of Reconstruction for Shensi. The scheme did not materialise, however, until the winter of 1930 when he obtained the assistance of the Provincial Government and the Sino-Foreign Famine Relief Committee. In the spring of 1931, operations were actually started.

According to Mr. Li, the canal is really a development and extension of the ancient irrigation system built at various periods during the Chin, Sung, and Ming Dynasties. Nevertheless, it constitutes a gigantic project, the importance of which may be gauged from the fact that it will serve to irrigate, with the water diverted from the King Ho (River), a tributary of the Wei Ho, from 500,000 to 600,000 mow of fields of the five districts of Kingyang, Kaoling, Sanyuan, Lintung and Lichuan.

So far over $1,000,000 has been expended on the project which is not yet entirely completed. It is estimated that another year will see the construction of all the branch canals, involving a further outlay of about $200,000.—Kuo Min.

CHOLERA SPREADS IN ALL QUARTERS

36 Deaths Out of Total Attack of 197 in Nanking

Nanking, June 21.

Cholera is spreading steadily in Nanking, it was learned to-day.

Thus far a total of 197 cases have been recorded. Of these, 36 have resulted in death.

During the past two weeks, injections of anti-cholera vaccine have been given to 68,064 Nanking inhabitants, the authorities report.—United Press.

Canton, June 22.

Cholera epidemic in Canton and vicinity is more and more increasing. Total cases in the city numbered no less than 1,600 and the number is increasing 50 or 60 every day. So far, more than 600 people are reported to have died.—Rengo.

Tientsin, June 25.

Since the beginning of this season more than 1,500 cholera patients have been reported in the Chinese city of Tientsin, or whom 80 per cent. are believed to have died.

Between 30 and 80 new patients are reported to the Bureau of Public Safety daily, and Government officials cannot estimate the probable end of the epidemic. A new cholera case has been found among prisoners in the Third Jail here, causing a panic among the 1,500 other prisoners. Three cholera patients have been found in the Japanese Concession, including one Japanese, one Korea and one Chinese.—United Press.

Hongkong, June 25.

Cholera epidemic has broken out here. Five case were reported during the past two days.—Rengo.

Peking, June 26.

The cholera epidemic, which is now being fought in Shanghai and Tientsin, has spread to Peking. Two cases have been reported.—Reuter.

Suspected Case on N.K.K. Ship

Hankow, June 27.

A suspected cholera case has been found on the steamship Joyo Maru of the N.K.K., which left Shanghai on June 21 for Hankow. On arrival of the vessel here, a Chinese cook was found to be ill and believed to be a cholera victim.

Health authorities ordered disinfection of the entire vessel, with administration of injections to all passengers and members of the crew. The ship will start back for Shanghai without passengers to-morrow, two days behind schedule.—United Press.

Active Campaign at Wuhu

FROM OUR OWN CORRESPONDENT

Mid-Anhui, June 10.

For ten days there has been a cholera scare in Wuhu and outlying districts. Now it has become an epidemic. For days reports have been coming in that cholera has broken out in many villages north of the Yangtze. Nothing serious was thought of it until five days ago a report came to Wuhu that seven people in a small hamlet had died in one day from cholera.

Then three days ago a messenger came in from Ningkuehfu saying that the men working on the big road between Wuhu and Hanchow were dying like flies.

One day thirty died and the next day forty succumbed from the same dread disease. As these men have had very little to live on except wheat and snails they have contracted the disease from the shell food and bad water. Cholera, however, is the natural outcome of a famine, and the wonder is that we have not had more typhoid and typhus.

Now what is being done to prevent and stamp out this epidemic? Dr. Robert E. Brown, Superintendent of the Wuhu General Hospital, has organised a corps of doctors and helpers to handle the situation. One day a city-wide parade of school children and police was held. The school children carried banners with various anti-cholera slogans written on them. Posters and handbills giving information regarding preventative cholera measures have been scattered throughout the city. The city has also been divided into various districts with anti-cholera vaccination centres. At these centres doctors and nurses give free injections to all who come.

SMALLPOX NEAR CHANGCHUN

Harbin, June 21.

Information has been received here from Kwangchengtze, near Changchun, to the effect that an epidemic of smallpox has broken out there and that more than 22 Russians and Chinese have contracted the disease.—Reuter.

GOOD HARVEST IN S. E. HONAN

Ninety Per Cent. Drop in Poppy Growing

FROM OUR OWN CORRESPONDENT

S. E. Honan, June 15.

A record wheat harvest has been reaped in this district during the last week, bringing relief to many thousands of people who had been living from hand to mouth during the Spring. That so few died from lack of food was due to several causes—a mild winter, seasonal spring rains, and the large distribution of relief made by the Famine Relief Commission. The price of flour which rose as high as 18 cents a catty just before harvest has now dropped suddenly to 5 cents and will probably fall still further.

Contrary to the general experience elsewhere very little opium has been gathered this year, a reduction of possibly 90 per cent. on last year. The causes for this are to be found in the fall of the price of opium, the very heavy tax imposed this year, and the fact that as much land as possible has been put under wheat.

The value of the dollar in copper currency has risen very rapidly within the last six months from 4,800 cash to 5,800 cash, and it looks as though it may continue to rise. A reason assigned for this is the large amount of 200-cash pieces now in circulation. Apart from the inconvenience of the instability of the price of the dollar, the higher value of the 200-cash piece has made counterfeiting worth while, thereby causing difficulty and loss in buying and selling.

Considerable changes have taken place in the China Inland Mission staff in Honan during the past three years. Prior to this period there has been a remarkable continuity of personnel for a long period of years. The death of the Rev. Gordon Harding at Hianghsien in 1929 was followed last year by that of the Rev. George Parker at Kiangtzekuan, who had completed no less than 55 years service in China, being the doyen of missionaries on the field. During the same period six missionaries have retired from the field, including the Rev. W. E. and Mrs. Shearer who have returned to Scotland after 40 years service in and around Chowkiakow. The period of service, in fact, for all these missionaries averages nearly 40 years—the Boxer outbreak, revolutions, civil wars and bandits notwithstanding! Four senior missionaries have been transferred elsewhere; making a total loss of 12 workers. However during the same period no less than 18 new missionaries have been drafted into the province so that the loss in numbers is more than covered. But the knowledge of the language and experience in missionary work is not so easily or so quickly regained.

The release of several foreigners in the hands of the communist-bandits along the banks of the Yang-tse stimulates hope for the Rev. H. S. Ferguson of Anhui taken captive a month ago, and for the Rev. Bert Nelson somewhere on the Honan-Hupeh border, who unless speedily rescued will have to spend a third summer in captivity. It seems evident that one aim of the communists is the definite establishment of a Soviet State, a sort of 'imperium in imperio,' and their captives are being held partly with this end in view.

THE SILK SLUMP IN CHEKIANG

Depressing Conditions all Round

FROM OUR OWN CORRESPONDENT

Kashing, Chê., June 18.

The yield of cocoons for this section was hardly up to the average in quantity or quality, the price the lowest paid in many years. Few of the many receiving depots opened for purchase of the new crop. Losses on last year demoralized the market. Many of the country people have discarded their primitive spinning fixtures in order to sell to the filatures. So many filatures closed down that there is little demand except for the very best quality of cocoon at a third or even fourth of customary prices. Some farmers in despair have cut down their mulberry trees to plant something else.

The higher ground south west of Kashing produces a tobacco leaf that had a good sale a few years ago to Japanese agents, but this direct dealing has met difficulties, psychological as well as financial. Although rice is the main food crop, yet some wheat is grown by the more alert farmers. Melons, fruits and vegetables can command ready money for those who live near market towns or cities.

While illiteracy does not always mean ignorance, yet the intense conservatism of rural communities almost reaches inertia. The limits of productivity have not been reached in this fertile part of Chêkiang. Agricultural schools have made a beginning, but the graduates too often drift into government positions rather than develop their native areas. On account of the fertility of this section and the numerous intersecting canals for irrigation, a food famine is here unknown to the oldest inhabitant, however the productivity could be greatly increased by intelligent diversification. The small farmer, owning his few acres, independent and industrious usually prospers unless sickness or bandits reduce him.

The farm labourer restricted by guild rules or custom, seldom gets more than a bare living. When machinery displaces him (as it does in a few instances) he is helpless and drifts towards the cities, there to become a problem among the other unemployed. Similar conditions obtain among carpenters, masons and other tool workers.

It seems that specialization prevailed at an early period in China, so that one man feels that he can only do one thing. Along with this also a tradition grew that bad luck follows a change of work. When to those who are idle from no fault of their own, are added the aged, infirm, weak, witless and immature, the problem of "mouths to feed" intensifies the industry of the one man or the one woman who is actually at work.

The writer, in his rounds among the people, is distressed at the number of respectable looking and even self-respecting persons who eagerly inquire for work that will keep them alive. Now, as this is not a famine field, one is driven to conclude that Communism or something very much like it will find its way into the submerged population.

TIENTSIN papers record the death of another old China resident, Mrs. P. F. Lorenzen, at the age of 78. Deceased had resided in various places along the China coast for many years. She was born at Eckenforde, Germany, in December, 1854.

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SHANGHAI NEWS

31st U. S. INFANTRY LEAVING

American Regiment Returning to Manila on July 1 After Local Service

Regret will be felt in both military and civil quarters of Shanghai at the departure on July 1, of the 31st U.S. Infantry. This regiment arrived in Shanghai on February 5, during the hostilities, with an establishment of about 1200 men of the regular United States Army. It is interesting to note that these are the first troops of the United States Army to land on foreign soil without the approval of Congress. In this instance, however, the move was made owing to the exigencies of the situation which prevailed here at the time, and, for the protection of U.S. citizens in the Settlement, the 31st Infantry landed here. It may be mentioned that the last time American troops were stationed in China was on the occasion of the Boxer Rising in 1900, when they came under treaty arrangements.

The Regiment went into the line, along Soochow Creek, on February 10, five days after arriving in the country and remained there until the cessation of the hostilities. Many are the stories they will be able to tell of that uncertain period when, as with all the other international troops, they occupied a position fraught with considerable danger but successfully held the line.

The history of the Regiment shows that in its short life, it has already laid the foundations of a grand tradition.

The 31st Infantry came into existence as part of the expansion of the Army under the National Defence Act of 1916, and bears the distinction of being the first unit created under that act. The regiment was originally organised from personnel of the 8th, 15th and 27th regiments of Infantry. All of these regiments were at that time stationed in the Philippine Islands. The regiment had no home when organised. The first battalion was organised at Regan Barracks, Albay; the second battalion at Camp McGrath, Batangas, and the third battalion, headquarters and special troops at Fort William McKinley, Rizal. The first commanding officer was Colonel W. H. Gordon, later a Major-General, now deceased.

The 31st Infantry played an important part in the military history of the Philippine Island, and has been singled out as the only regiment that has spent its entire service on foreign soil. On August 9, 1918, the regimental commander received instructions to prepare the regiment for transport to Siberia. Three days later the regiment left Manila on the U. S. A. T. Sherman. It meant the long delayed start toward actual war. The regiment arrived at Vladivostock on August 21, 1918, and established a tent camp in Gornastaya Valley, east of the city.

The mission of the regiment was to work with other allied troops reinforcing the Czechs in Siberia, and to keep the Trans-Siberian Railway open. The country was in the turmoil of civil war and was infested by bands of robbers and bandits. The vast territory assigned to the 31st. Infantry had no resemblance to the sectors assigned to the American Troops in France. There were no trenches, no field fortifications with concrete dugouts, no communicating lanes or barbed wire protection. In order to cover the territory it was necessary to scatter the troops in small detachments at importants points. The detachments carried on active campaigns against the guerillas and bandits infesting the main line of the railroad.

The first hostile shot fired at the troops of the 31st. Infantry occurred near Ugolnaya, Siberia, August 29, 1918, and claimed a few casualties. Colonel Sargent, then commanding the regiment, praised the troops for the heroic manner in which they took their first baptism of fire. No regiment could have shown a finer spirit.

During the months of September, October, November and December, 1918, there were no important military incidents other than changes of station and receiving replacements from the States. The troops suffered severely during the months of January, February and March, 1919. The blizzards caused many hardships.

Active campaigning against the Bolsheviks by the American troops commenced in April, 1919, and continued until the last of the regiment was withdrawn about a year later. The regiment sustained many casualties, but much heavier were the losses inflicted upon the enemy.

The list of officers and men who conducted themselves with conspicuous gallantry in action shows the esprit of the Regiment. Throughout the ranks there were many instances of extraordinary skill and bravery under devasting enemy fire, where acts of exceptional courage and bearing of incredible hardships were taken as a matter of course. These cases are not, in a large proportion of the instances, preserved in official records, but they will live in the spirit of the 31st. Infantry and will always have an exalting influence upon its bearing and morals.

Evacuation of Siberia was begun on February 15, 1920, and the entire regiment had arrived in Fort William McKinley, P. I., April 17, 1920.

August 13, 1931, was the fifteenth birthday of the 31st Infantry. This date was selected as "Organisation Day" for the following reasons: The first consolidated morning report for the regiment was submitted on August 13, 1916. The regiment sailed from Manila Bay for Siberia on August 13, 1918. August 13 is "Occupation Day", the date the United States Army first raised the U.S. flag over the city of Manila. The regiment was organised in the Phillippine Islands and with its "Organisation Day" it will always be associated with those Islands, wherever it may be serving.

The coat of arms adopted by the regiment and approved by the War Department commemorates and symbolises the principle features of the regimental history. Emblazoned on a field of Infantry Blue stands a Sea Lion grasping in its paws a rifle with bayonet fixed. Over the shield is engraved the regimental motto "Pro Patria" (For Country) and above this stands a Polar Bear. The Sea Lion is taken from the Coat of Arms of the Philippine Islands, while the Polar Bear is a reminder of the part played by the Thirty First Infantry in Siberia.

The regiment has had fourteen commanding officers since its organization: Colonel W. H. Gordon, Colonel F. H. Sargent, Colonel F. W. Bugbee, Colonel Ralph H. Van Deman, Lieut. Colonel F. C. Endicott, Colonel Willis Uline, Lieut. Colonel H. Clay M. Supplee, Colonel Daniel G. Beery, Colonel J. M. Kimbrough, Colonel E. W. Tanner, Lieut.-Colonel E. L. Hooper, Colonel Colonel E. W. Weibner Lieut.-Colonel G. A. Lynch, and its present commanding officer is Colonel Lorenzo D. Gasser.

Since the 31st Infantry landed in Shanghai they have contributed in no small measure to the social and sporting activities of the garrison and town, and there is no doubt that there will be many a sigh over a fractured acquaintance. But, "man nears man meets and leaves again," and the 31st return to duty in their permanent station, Manila, taking with them, it is hoped, good impressions of Shanghai, as they take the most cordial wishes of all those they leave. In wishing them "bon voyages," may it be a warmer one than they experienced on their way to this country.

Among the senior officers of the Regiment are: Colonel L. D. Gasser, Commanding U.A.S. Troops and the 31st Infantry: Lieutenant Cols. G. A. Lynch, Executive Officer, and A. D. Davis, Surgeon: Majors R. P. Hartle, Commanding 2nd Battalion, F. Brezina, Quartermaster, Ordnance, Engineer and Finance Officer: L. T. Gerow, Commanding 3rd Battalion: J. E. Ardrey, Commanding Provisional Battalion: N. A. Jones, Chaplain: R. O. Baldwin, Commanding 1st Battalion.

Captain W. R. Bent is the Adjutant, and commands the Regimental Headquarters and Band: Lieutenant R. A. Baker is Adjutant to the 2nd Battalion: Lieutenant J. W. Dansby, Personnel Adjutant: and Second Lieutenants D. Campbell and G. E. Steinmeyer are Adjutants to the 1st and 3rd Battalion respectively.

S.V.C. Gift

Marking the spirit of co-operation which has existed between the Shanghai Volunteer Corps and the 31st Infantry since the arrival of the American regiment in Shanghai to assist in the defence of the Settlement, a small S.V.C. flag, framed and suitably inscribed, was presented to the regiment at a ceremony at the American Club at noon yesterday.

The presentation was made on behalf of the S.V.C. by Col. N. W. B. B. Thoms, Commandant, who handed the flag to Col. L. D. Gasser in the presence of officers of the Corps and the regiment. Col. Thoms, in making the presentation, spoke of the happy co-operation which had existed between the two units and pointed out that the 31st Infantry were the first troops to take over from the S.V.C. at Windy Sector. Col. Thoms expressed the appreciation of the Corps at the cordial relations between the two units and paid special tribute to the geniality of Col. Gasser.

Col. Gasser, in reply, expressed thanks on behalf of the regiment for the gift and said it would always remind them of their pleasant associations with the Shanghai Volunteers.

Col. Thoms was accompanied at the ceremony by Capt. J. H. Hinchcliffe, Capt. L. D. Cosgrave and the O/C's of practically every unit in the Corps. Col. Gasser was accompanied by Col. G. A. Lynch and other officers of the regiment.

Preparations for the embarkation of the 31st Infantry, who are returning to their base at Manila, are proceeding. The regiment will sail on the U.S. transport Republic, which is due to leave on Friday. The Republic was to have left Tientsin yesterday for Shanghai to pick up the 31st Regiment here.

Among the passengers on the Republic is Col. James D. Taylor, who has been stationed in Tientsin since March, 1929, as Commanding Officer of the 15th Infantry in that area. Col. Taylor is being relieved by Col. Reynolds J. Burt.

BOYCOTT MOVEMENT URGED

Letters from Street Unions to Chinese Shops

The continuance of the anti-Japanese boycott movement is urged in identic letters addressed to the various Chinese shops in the Hongkew District by the street unions of Soochow Road, Yochow Road, Haining Road, East Seward Road, Elgin Road, Broadway Road and North Kiangse Road.

The letter states that Japan is the greatest aggressor in China within the past 60 years, she, the letter alleges, being responsible for the Mukden affair, the January 28 incident in Shanghai, and others too numerous to mention.

However, the letter continues, the writers' hearts are pained by the lack of patriotism on part of the Chinese merchants. Ever since the conclusion of the Shanghai peace agreement, the letter states, Japan's exports to China, which showed a sharp decrease during the period of recent war, have again exceeded her imports from China.

In order to deliver China from her distress, the people must continue the boycott movement, the letter concludes.

RETIREMENT OF MR. VAN BUSKIRK

Deputy Marshal Entertained by Court Staff

Mr. William Van Buskirk, the retiring Deputy Marshal of the United States Court for China, was the guest of honour at a tiffin given yesterday at the Astor House by members of the court staff.

The guests included, in addition to Mr. Van Buskirk, Judge Milton D. Purdy, Commissioner, A. Krisel, Mr. Thurston R. Porter, Mr. James M. Howes, Mr. L. F. Kenake, Mrs. Louise M. Porter, Miss Sara Tuttleman, Miss Gertrude True, Mr. Arthur Peterson, who succeeds Mr. Van Buskirk, Mr. Charles Liebgold, Mr. T. R. Buckley and Mr. Simon Dasmarinus. The retiring member of the staff was presented with an inscribed gold watch and a brief case.

In addition to the beautiful watch given by the Court to Mr. "Van," as he was affectionately called, Nomad Oasis presented their retiring officer with a handsome leather travelling bag, while the Spanish Veterans Post, which Mr. Van Buskirk organised, handed him a large portmanteau. A pleasing function took place in the Astor House lobby last evening, when Mr. H. P. Mills, in the presence of a group of friends, handed him a walking stick, on behalf of the newspaperman of Shanghai.

Mr. Van Buskirk left at midnight in the President Taft for Seattle.

He plans to go from there to his home in Newark, New Jersey. His departure teminates a long period of service with the United States Court, which began in December, 1921.

DEATH OF MR. J. DUNLOP

Sympathy Towards Family of Deceased

At the conclusion of the inquest of Mr. John Dunlop, H.M. Vice-Consul, at H.M. Police Court on June 23, Mr. C. H. Haines, Registrar, sitting as Coroner, extended deep sympathy to the family of the deceased, who was noted for his excellent personality and who had a bright future in the Consular service.

Mr. Haines returned a verdict that Mr. Dunlop passed away at the Country Hospital on June 18 due to injuries received at an accident on the night of June 8 in Avenue Edward VII. No blame was attached to the chauffeur of the taxi involved in the accident.

Dr. Thomas Burton, private practitioner, was the first witness called. He saw Mr. Dunlop at the Country Hospital at 10.30 p.m. on June 8. The latter was unconscious and suffering from serious bruises in the hands, forearm and minor bruises in different parts of the body. Mr. Dunlop was operated on twice, but passed away on June 18. At a post mortem examination, Dr. Burton found excessive laceration of the brain besides the fracture on the head. He regarded the injuries as very severe and expressed opinion that Mr. Dunlop must have been hit on the left side of the body and thrown on the ground head first.

Mr. H. Ross Lane, assistant architect attached to Office of Works, H.M. Consulate, told the Court that Mr. Dunlop called on him at 16 Yuen Ming Yuen Road on the night of June 8. Both left the house in Mr. Dunlop's car to go to the Paris Theatre, but neither of them knew where the cinema was, however.

On arriving at the Kuang Wha cinema in Avenue Edward VII, near Avenue Foch, Mr. Dunlop parked the car behind a traffic island and walked across the street to see if it was the Paris Theatre. Mr. Lane said that he remained in the car, and saw a motor car travelling from west to east in the street at the time when Mr. Dunlop turned and was about to cross the street. As Mr. Dunlop just moved back slightly toward the cinema, the car struck him. Mr. Lane estimated the speed of the car at 30 miles an hour, and said that the chauffeur slowed down the speed just before it struck Mr. Dunlop. The chauffeur also swerved to the centre of the road in an attempt to avoid him. The side of the car, however, hit him.

Mr. Lane also told the Court that with the assistance of a Chinese passenger and the chauffeur, he placed Mr. Dunlop in the car, and conveyed him to the Country Hospital. He said the attendants were rather careless for when Mr. Dunlop was helped to the wheel chair he fell to the ground. Questioned by Mr. Haines, Mr. Lane stated that the fall was not serious enough to cause other than an increase of shock to the injured man.

Chang An-ing, chauffeur of Taylor Garage, denied that he saw Mr. Dunlop at all at the time of the accident. He said that the car was travelling at about 15 to 20 miles an hour, when he heard a bang at the rear of the car. He also stated that he had made no attempt to swerve the car. Liu Lee-ching, shroff of the same garage, said that he was seated in the rear of the car and looking straight ahead when the foreigner collided with the vehicle. He said that the car was travelling at about 20 miles an hour.

WEDDINGS

Dunkley—Frost

A popular and widely attended wedding took place on June 25 when Miss Eleanor Mary Frost, daughter of Mr. and Mrs. J. Frost of Shanghai, became the wife of Mr. William Henry Dunkley, son of the late Mr. W. E. Dunkley and Mrs. Dunkley of Rugby. Both bride and bridegroom have a large circle of friends amongst the younger community of Shanghai. The ceremony was performed at the Holy Trinity Cathedral by Dean Trivett.

The bride, who was given away by her father, was attended by a matron of honour, Mrs. E. S. Barraclough, two bridesmaids, Miss A. Birch and Miss R. Prosser, and two little flower girls, the Misses Joan Squires and Mary Hummel.

Mr. P. G. D. Sixsmith acted as best man, and the ushers were Messrs. D. W. Howe, E. T. Yarnold, A. H. Candlin, and A. Kendal Ward.

Heinzerling—Whittaker

A pretty wedding was solemnised on June 24 when Miss Edna Whittaker, daughter of Mr. and Mrs. A. Whittaker, formerly of Weihaiwei, became the wife of Mr. Herbert Heinzerling, son of Mr. and Mrs. T. Heinzerling. The ceremony was performed by Dean Trivett at the Holy Trinity Cathedral.

The bride, who was given away by Mr. U. J. Kelly, was attended by Mrs. U. J. Kelly as matron of honour, and two bridesmaids, the Misses Rowena and Jessie Cook.

RIVER STEAMER OVERLOADED

Shipping Bureau Conducts Investigation

An investigation into the overloading of 645 passengers on the Ta Dah Company's steamer Ta Ho was started on June 25 by officers of the Bureau of Shipping and Navigation which was established here about a year ago by the Ministry of Communications. The steamer Ta Ho arrived here on Friday morning from Tungchow, and upon being notified of the excessive weight carried by the steamer, the management of the Company explained that most of the passengers were flood refugees from the North Kiangsu and that irrespective of the company's restriction, they boarded the steamer without even paying their fares.

Packed from stem to stern, the Ta Ho aroused the attention of the river authorities while steaming to her moorage at the Ta Dah Wharf in Nantao. Before her arrival at the wharf, four river police officers were on the scene and counted every passenger that landed. The total number of passengers was 1,318, whereas the steamer was only allowed to carry 673 passengers.

The report of the violation of shipping regulations was forwarded by the river police to the Harbour Master, who in turn notified the Shipping and Navigation Bureau. Summoned to the office of the Bureau, a representative of the Company admitted the overloading and said that this happened accidentally as most of the passengers were refugees who ignored every restriction put up by the officers and crew of the steamer.

A spokesman of the Bureau announced that overloading constitutes a maximum fine of $500. The officers are taking a serious view of the incident as two of the Ta Dah Company's river steamers, Ta Dah and Ta Chi, met with disaster during the last two years and that charges of overloading had been made by the relatives of the victims.

Captain H. L. Ho is the commissioner of the Bureau, while Messrs. L. S. Chang and T. M. Wu are departmental heads in charge of general and technical business concerning shipping and navigation. This is one of a few cases that have been handled by the Bureau since its establishment a year ago, as the Bureau is generally interested in the survey and registration of ships and other technical duties.

OUTSIDE ROADS NEGOTIATIONS

Messrs. Fessenden and Yui Hold Meeting

Discussions on the administration of the extra-Settlement roads were held between Mr. Sterling Fessenden, Secretary-General of the Shanghai Municipal Council, and Mr. O. K. Yui, Chief Secretary of the City Government of Greater Shanghai on June 24 at the Council building, but without arriving at a concrete agreement. The discussions centred on the Chinese alterations and revision of the draft.

According to a Chinese report, the Chinese authorities are not looking forward to the consular body for its ratification of the final agreement, the Council having been vested with the full authority to deal with the problem. Interviewed by a representative of the "North-China Daily News," Mr. Fessenden stated that the present discussionus had not yet reached the stage whereby the draft would be sent to the consular body. He made no statement, however, as to whether the consular body's ratification was necessary to conclude the pact.

Contents of the tentative agreement, which is being discussed, are withheld by both sides from publication. It is understood that points embodied in Judge Feetham's report on the problem of the extra-Settlement roads have formed the basis on the part of the Council for discussion, while the Ministry of Foreign Affairs is directing the Chinese view and that certain alterations on the draft agreement have been made by the Ministry. While refraining from divulging the details of the discussions, Mr. O. K. Yui declared to this paper's representative that the territorial and administrative rights rest with China.

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CHELIDON BACK IN SHANGHAI

Better Sailing Weather on Return Trip: Crew Fit and Well

June 23.

Tanned and fit after their trip to Nagasaki and back, the crew of the yacht Chelidon moored their vessel at Pootung Point at 9.30 a.m. yesterday. They were loud in praise of the way in which they had taken a holiday, and were unanimous in saying that they would do it again to-morrow if they had an opportunity.

Taking 145 hours on the return trip, the Chelidon encountered better sailing winds than on the trip across and was not becalmed once. The slowest part of the trip was that of the last two days, coming up the Yangtze. Headwinds were encountered at the Saddle Islands, while the tides ran strongly, estimated at over four knots, and it was only by working them that any progress could be made. On Tuesday, at Kiutoan lightship, six hours sailing found the yacht farther from instead of nearer to Shanghai.

The latter part of the trip, which called for very hard work in sailing against the wind, was notable for an excellent breakfast abpard the pilot boat, near Fairway Buoy. After the breakfast the pilots presented the Chelidon crew with fresh food supplies, both the breakfast and the supplies being greatly appreciated.

During the trip to Nagasaki and back, those on the Chelidon caught sight of the express N.Y.K. ship, Nagasaki Maru, no less than five times. "All right for business purposes" said on of the yachtsmen yesterday "But give me the Chelidon."

At Nagasaki the yachtsmen had a fine welcome. The port doctor, police and customs officials had been waiting until 10 p.m. on the previous night, and were up again on the job at 5.30 a.m. The official launch came alongside, accompanied by a swarm of boats, while the Chelidon was in the outer harbour, the first man on board being a reporter from the "Osaka Mainichi" who asked many questions and took many photographs. At the moorings opposite the British Consulate the crowd came on board.

Thanks to having been at sea for over a week, the cholera restrictions applied to vessels coming from Shanghai did not apply. A clean bill of health was given after a word or two with the doctor, and that was that.

The yachtsmen met the Mayor of Nagasaki, Mr. H. Kusama, through his secretary, Mr. Fujita, and the Mayor paid a visit to the yacht, betraying seafaring experience by his keen interest in all parts of the vessel.

Foreign residents in Nagasaki, especially Mr. and Mrs. Hansen of the Great Northern Telegraph Co., gave the visitors a good time, while they were entertained to a dinner and a dance by Mr. Fujita. Everywhere they went in Nagasaki they were recognised, from the afternoon they arrived, thanks to the energetic efforts of the press, for everyone on shore appeared to be reading an afternoon newspaper, which carried the Chelidon's story, embellished with photographs.

The return trip of the yacht commenced last Thursday. The crew rose at 6 a.m. and prepared for the sea, lifting anchor at 8.15 a.m. and starting off under full sail, while people on shore waved farewell. By 11.15 a.m. the Iobama Light was due south.

The wind dropped for a little, but by 2 p.m. had freshened once more, until the log showed the yacht was moving at 6 knots. Then she ran into a heavy southerly swell and began to labour, and the motion of the ship proved a regrettable fact, that half the crew had left their sea legs ashore. Good progress was made until dawn on Friday, when, with the Misima group abeam, the wind began to fail. Throughout the day light winds prevailed, the log at noon showing 83 miles.

At 10 p.m. the wind veered west and freshened, and the vessel began to move freely once more. The night was perfect, with practically full moon and hardly a cloud in the sky. Throughout the night the yacht moved along well, and dawn on Saturday found conditions unaltered.

A perfect day followed a perfect night. Saturday was sunny and warm, while there was plenty of wind. The speed of the craft prevented any idea of going over the side for a dip, and so the crew indulged in sunbaths and got as close to nature as possible. The result was that the ship's "doctor," had a couple of sore backs to which to attend that night. At noon on Saturday the Chelidon had run 92 miles in 24 hours.

Sunday opened overcast, much to the relief of the sore backs mentioned, and throughout the forenoon the wind continued to freshen. At noon a further 113 miles were found to have been covered.

By 4 p.m. the wind was blowing hard, and the log showed over 6 knots. One reef was put in the main and mizzen when a rising sea manifested itself an hour later. In three hours the log showed 21 knots.

A second reef was taken in main and mizzen at 7 p.m. and a small jib set, as the wind was estimated to be blowing at force 7. There was a big sea running and the Chelidon was rolling heavily. The crew prepared for a dirty night and were not disappointed.

Everything was battened down, and those who attempted to get a rest had at the best a couple of hours in a hot and stuffy cabin. At 9 p.m. the foresail carried away, and the crew spent a busy period in replacing it by a storm foresail. The Chelidon by now was making nine knots. A good hot dinner served by the "cook" helped things a bit.

By 2 a.m. on Monday, however, the wind lost some of its strength.

The Chelidon's Courses

A fresh difficulty was on hand, however.

Two hours later fog was encountered. Further vigilance was called for by those on watch, and they had quite an anxious time when they heard the approaching blasts of a fog horn. At 5 a.m. the outward bound Empress of Russia passed, at about half a mile distance in the fog, and the spirits of the crew showed an appreciable reaction in an upward direction, as they realised that they had not strayed far from their course in the fog. Actually the dead reckoning position was subsequently confirmed, the yacht having made a practically straight run from Nagasaki. No sights had been obtained since the morning of Sunday, and at that they were "woolly."

By 7 a.m. on Monday, however, the wind had died away. All reefs were shaken out and the big jib and foresail set. The fog commenced to lift, while a swell from the south west commenced. At 8 a.m. the log was taken in: it had recorded 111 miles in 20 hours.

At 8 a.m. the North Saddle was sighted about eight miles distant, and it was hoped soon to be level with the island. An hour and a half later it was found that this was not to be, as the wind sprang up from the W.N.W., due head on to the yacht, and the sea rose. The Chelidon stood up and down for the North Saddle and made slow progress. At 1 p.m. the ebb tide set in, and a run was made for N.E. Bay, with the idea of sheltering until the tide turned: the bay was too full of native craft to make it safe to attempt an entrance, so the yacht stood out once more.

It was not until 6.30 p.m., with the North Saddle light due south approximately two miles, that the flood made and the yacht commenced to show a little progress. The wind, still head on, freshened at 8.30 p.m. and a reef was taken in in the main and mizzen and a small jib set. The Chelidon stood up and down for the Yangtze Entrance lightship, and the crew found this hard work. By 3.30 a.m. on Tuesday further progress was impossible owing to a very strong ebb tide, running at 4½ knots, so the yacht was anchored in six fathom about 2½ miles N.W. of the lightship.

A welcome interlude was provided at 8 a.m., when the Shanghai Licensed Pilot Association's duty ship made for the Chelidon and a shouted invitation to breakfast came across the water. A few minutes later a boat from the pilot ship took the crew off the Chelidon, and it was not long before they had all enjoyed a good wash and got outside a useful breakfast, greatly appreciated. The pilots also presented the crew with fresh meat, of which they had run short, and a few other supplies.

Within an hour the crew were back in the Chelidon and at 9.15 a.m., with the flood just commencing, she was on her way once again, still with a head-on wind, and 40 miles to cover before reaching Woosung.

Sailing on long legs, the Chelidon tacked across the estuary, a reef being shaken out at 11.30 a.m. and the big jib set, and at 12.30 p.m. the Tungsha lightship had been passed.

Then, a little later, came six hours of sailing that left the Chelidon where she had started. At 3.30 p.m. the Kiutoan lightship was passed. Twenty minutes later the tide turned, and the Chelidon anchored in five fathom half a mile west of the lightship. At 5 p.m. the wind veered to N.N.E.: all sails were set and the anchor weighed, but the yacht only just held her ground against a 3-knot tide, with a kedge anchor set. At 8.30 p.m., the wind changing to N.E., the Chelidon oversailed her anchor and it was taken in, and very slow progress against the tide was made.

At 9.30 p.m. the wind died and the Chelidon drifted back, to anchor alongside the Kiutoan light vessel, which had been passed six hours before.

An hour later the flood made, and anchor was weighed. For two miles the vessel drifted with the tide, until at 11.15 p.m. a light south-west wind sprang up and the Chelidon managed to record some real progress.

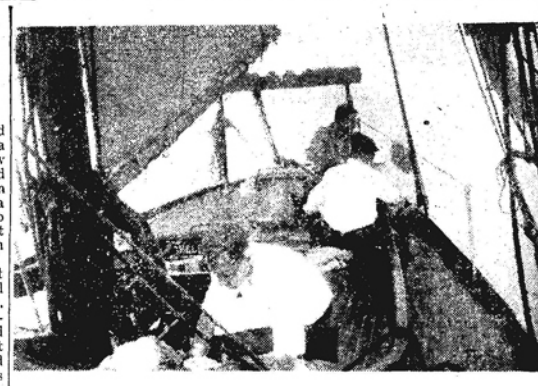
Sailing throughout the night, the Lismore was seen abeam at 3.20 a.m. yesterday, and 15 minutes later the bar at Woosung was crossed. Gradually the Chelidon came up the Whangpoo, still continuing, thanks to sufficient wind, when the ebb made at 5.30 a.m.

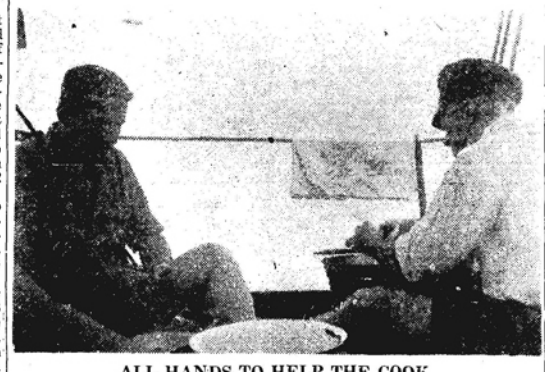
With daylight arrived, the crew looked around for a tow to Shanghai. Several launches came past, but rather disdainfully, and it was not until 8. a.m., off Black Point, that, for a consideration, the laodah of a steam launch consented to give the Chelidon a hand. At 9.15 a.m. the Chelidon was at her moorings at Pootung Point, and a few minutes later the Yacht Club motorboat had brought the crew ashore, all eager to get home for a good bath and shave.

The Chelidon commenced her trip to Nagasaki on June 4 at 2.40 p.m., arriving in Nagasaki at 9 a.m. (8 a.m. Shanghai time) on June 12.

Flying the German flag of her owner and skipper, Mr. H. Aust, the remainder of the crew were Messrs. W.D. Neil, J.R. Milligan, C. Trenchard-Davis, V.V.W. Fretwell (British), J. Heinze (German) and two laodahs. The Chelidon, ketch rigged, is 48 feet long and is of 19 tons registration.

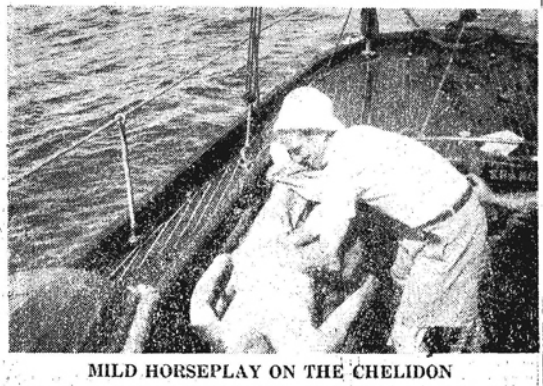
Last year the Chelidon, as well as the Nidaros, made the Nagasaki trip and return for the first time in the history of local yachting.





ALL HANDS TO HELP THE COOK

Though there were long periods when they could not sail owing to the calms, there were no occasions, out or home, on the Chelidon's Japan trip when the crew could not eat, and all hands not otherwise engaged lent assistance to the cook.



MILD HORSEPLAY ON THE CHELIDON

A man on the yacht Chelidon who sought to fill in time during the calms by taking a sunbath served a useful purpose by providing the opportunity for another "unemployed" to disturb him.

"THE SEA WAS LIKE A MILLPOND"

Ever Mr. Aust, the owner-skipper of the yacht Chelidon, and the busiest man in the crew on the trip to Japan and back, at times was unable to find any work, with a total absence of wind, and so "took an easy," as above.

WHAT IS A CIVIL WAR?

Local Peace League Puzzled by Southern Conflict

The prospect of an immediate amicable settlement of the dispute between Gen. Chen Chi-tang and Admiral Chen Chak, principal figures in the conflict in South China, was regarded in Chinese circles as very gloomy when the promoters of the anti-civil war movement in Shanghai received a reply from the supporters of Gen. Chen denying that the present conflict is a civil war and saying what he and his subordinate generals are doing is to subdue the rebels under Admiral Chen who have defied Gen. Chen's order for the "unification of military control" in Kuangtung. The supporters of Gen. Chen, in their reply, further stated that inasmuch as the conflict in the south is not a civil war, they cannot refrain from resorting to force.

Promoters of the anti-civil war movement, who are planning to inaugurate the Anti-Civil War League at Shanghai on July 6, are puzzled as to what should be considered as civil war. They stated that Gen. Chen and Admiral Chen, being both officials under the National Government, should not have resorted to arms without first referring their dispute to the Central Government for settlement. If means are not devised to put an end to the conflict in Kuangtung, it is feared, according to the promoters of the anti-civil war movement, that militarists of other provinces will start fresh fighting under the same pretext as Gen. Chen that their opponents are "rebels" and have defied their orders for the unification of military control.

Not abandoning their hope for a settlement of the dispute between the two Cantonese leaders, promoters of the anti-civil war movement, have sent another telegram to Gen. Chen and Admiral Chen, urging them to immediately suspend military operations so as to present a united front against foreign aggression which have become more serious in Manchuria.

ATTENDANCE RECORD AT JESSFIELD PARK

Although rain fell on twenty days in May, a total of 8.46 inches being recorded, 104,699 persons visited Jessfield Park during the month, this figure being 21,084 in excess of the figures for the corresponding month last year. The highest daily total was recorded on Sunday, May 29, when 15,327 persons entered the park. This figure constitutes a record for Jessfield Park, the previous highest being 13,293 on May 21, 1931.

THE many friends of Mr. and Mrs. Thomas Craven, formerly of Shanghai, will learn with sorrow of the death of their daughter Mary, wife of Mr. Tom Ainslie Robertson, which occurred in London on May 29, from pneumonia. Mr. and Mrs. Robertson last visited Shanghai 14 years ago.

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JUNK TRIP UP THE YANGTZE

Daring Venture of Two British Women

Mrs. Cecil Chesterton, sister-in-law of Mr. G. K. Chesterton, the noted writer, arrived in Shanghai on June 24 by the Blue Funnel steamer Menelaus accompanied by her secretary, Miss Gordon Dunham.

Mrs. Chesterton has conceived the adventurous project of a junk trip up the Yangtze river and she and her secretary will stay in Shanghai a week making arrangements for the trip, which has been planned in order to give an opportunity for studying the life and conditions of China from an observer's standpoint. No definite itinerary has been arranged yet, Mrs. Chesterton preferring to make calls at point along the Great River wherever she feels inclined.

Mrs. Chesterton made a similar tour through Russia which resulted in her entertaining volume "My Russian Venture." This trip has as its object another such a book which will be published by Harraps, London.

The first objective is to be Hankow from where she will make for Peking. It is her intention to visit the refugee camp in Hankow, primarily, and to make any other observations that appeal to her as interesting.

On her return to London a lecture tour is to be arranged, illustrated by pictures taken on the trip by Miss Gordon Dunham. After leaving Peking, however, Mrs. Chesterton intends to visit Japan before returning home.

Not only is Mrs. Chesterton a traveller and author, but a prominent playwright, short story writer and lecturer. She has contributed special articles to many London daily and weekly papers and leading magazines, on topics of social, psychological, literary and economic interest. She was at various times assistant editor of the "New Witness," special correspondent for the "Daily Express," dramatic critic for "Sphere," "John O'Londons, and "G.K.'s Weekly." In 1926, she made an exhaustive study of sociological conditions of the lower haunts of London and giving literary expression to her conclusions. Her principal discovery was the lack of accommodation for homeless women, and this led to the foundation of the Cecil Houses (Inc.) which were public lodging houses for poor women where they could obtain a bed, bath, tea and bread and butter for one shilling a night, without the embarrassment of interrogation. Four of these houses now exist.

The following books have been published under her name: "In Darkest London," 1926: "St. Theresa," 1927: "Women of the Underworld," 1930: "Come with me through Russia," 1931. Plays produced by Mrs. Chesterton include "The Man who was Thursday," adapted from the novel of that name by G.K. Chesterton: "The Love Game," 1927: both produced in co-operation with Ralph Neale. She has given many lectures on social, literary, dramatic, and psychological subjects.

Mrs. Chesterton lives in a flat in a 300-year old house in the literary apex of the world, Fleet Street, and an interesting adjunct is attached to her occupation of it—A clause in her lease denies her the right of keeping a cow.

ANOTHER TRIBUTE TO S. V. C.

Bankers' Thanks for Services During Emergency

Another tribute by Chinese business interests to the services of the Shanghai Volunteer Corps has been received by the Shanghai Municipal Council.

Mr. K. H. Ling, writing to the Council on behalf of the Shanghai Bankers' Association says:—

"It has come to our knowledge that, as peace and order have now been restored in the Settlement, you will soon recall the Shanghai Volunteers who have been stationed on the premises of the member banks of this Association since February 28, 1932, when an alarming situation was created by the unfortunate event.

"We wish to take this opportunity of conveying to you the sincere thanks of our member banks for the invaluable services rendered by the Shanghai Volunteers in protecting their premises and also in enabling them to carry on their business as usual."

WITH reference to the closing of the Kiangnan Arsenal by order of the Ministry of War, the Chinese press states that the Government is planning to select a new site for the arsenal in the interior.

Photo by Joseffo.

TO MAKE YANGTZE JUNK TRIP

Mrs. Cecil Chesterton, sister-in-law of Mr. G. K. Chesterton, and her Secretary, Miss Gordon Dunham, who arrived in Shanghai on June 24. They are arranging to make a junk trip up the Yangtze to obtain material for a book.

BRITISH TROOPS AND HORTICULTURE

Sir Peter Grain Presents Prizes to Soldiers

The grounds of Marble Hall, Bubbling Well Road, were on June 23, by the kind permission of the owner, Sir Elly Kadoorie, visited by a distinguished company to witness the presentation of prizes to the British infantry regiments who excelled in the recent horticultural competition under the auspices of the Shanghai Horticultural Society, who sponsor this special section to encourage horticultural enterprise among the British troops.

Sir Peter Grain, who presented the prizes, opened the proceedings with a short speech in which he explained that prizes had been awarded on points for the qualifications in the following order—tidiness, floral effect, and general upkeep. He said that, in many cases it had been difficult to come to a decision but that in future he hoped competitors would bear in mind the qualifications upon which judgment was based.

The first prize to be awarded was the Society's Silver Shield for the highest Company average which was won by "B" Company, 1st Bn. The Lincolnshire Regiment, Kiaochow Road Camp with an average of 34.832 marks. The large silver medal awarded by the Society was won by Headquarters Wing, 1st Bn., The Lincolnshire Regiment, with an average of 33.375 marks, for the second highest average in company competition.

In awarding the prize for the best hut garden, Sir Peter Grain stated that this was a cup presented by himself and that two competitors had tied for the award. It had been put to him, he said, that, in the circumstances, he would no doubt duplicate the prize and that he had been very pleased to do so.

The equal competitors for the cups were the Transport Section of the 1st Bn., The Wiltshire Regiment, Jessfield Camp, with 39 points and No. 5 Platoon "B" Company, 1st Bn., The Lincolnshire Regiment, Kiaochow Road Camp, also with 39 points.

For the best company average between the Jessfield and Great Western Camps the cup presented by Mr. H. Kadoorie, was awarded to "A" Company 1st Bn., The Wiltshire Regiment. The presentation of this prize, Sir Peter Grain considered, was the privilege of the donor and Mr. H. Kadoorie came forward and bestowed it on the winning Company representative.

The final award was called the "Nil Desperandum" Silver Cup, donated by Mrs. W. J. Kerr, which constituted a sort of "booby" prize for those who had competed unsuccessfully but had made a grand effort. "D" Company 1st Bn., The Lincolnshire Regiment was the recipient of this presented by Mrs. Kerr herself.

In a final speech Sir Peter Grain enumerated those to whom thanks were due for their participation in the enterprise. These were, the Officers N.C.O's and men, who by their interest and energy made the competition possible: the judges who braved the elements to carry out their difficult task of awarding the prizes: and those who donated cups. He hoped that such a competition would become an annual event. Finally he called the attention of all present to the work and interest that had been taken by the Secretary, Mr. W. J. Kerr, to make the competition a success.

NORTH SZECHUEN ROAD INCIDENT

Japanese Detain Party of Peking Police

An incident involving Peking policemen and Japanese marines occurred on North Szechuen Road on June 23. About 2 p.m., a patrol party of 12 policemen in charge of an inspector appeared on North Szechuen Road near the Odeon Theatre just as two truck-loads of Japanese marines were passing. The marines immediately surrounded the policemen and attempted to disarm them but the policemen refused to surrender their arms. One man, however, was allowed to use a telephone and get in touch with the 5th Chapei police station and another inspector arrived.

After some discussion, the inspector consented to go to the Japanese marine headquarters where a satisfactory settlement was reached. According to Japanese reports, there is an understanding that armed Chinese police shall not enter the extension road adjacent to Chapei unless in case of absolute necessity, but the police, in this case, acted in ignorance of the understanding.

TEMPLE OF HEAVEN AGAIN SEALED

Chinese Authorities to Dispose of Seized Japanese Goods

The former headquarters of the defunct National Salvation Committee to Resist Japan, located in the premises of the Temple of the Queen of Heaven, North Honan Road, have again been sealed by the "Committee to Dispose of Seized Japanese Goods." These headquarters, which accommodate no seized goods at present, were sealed on January 28 by the Bureau of Public Safety of the City Government of Greater Shanghai, but were subsequently re-opened as a hospital for wounded Chinese soldiers. As the place had been vacated, the temple was re-sealed by the Chinese authorities.

The Committee was organised recently by the City Government of Greater Shanghai, and is situated in the premises of the municipality. In a notice in the local Chinese papers yesterday, the Committee asked shops from where Japanese goods had been seized by the defunct National Salvation Committee to Resist Japan, to register such seizures with the Committee.

POSITION OF SILK FILATURES

Closures Owing to the Recent Crisis

As a result of the recent crisis a number of silk filatures in Chapei were destroyed and others in the Settlement closed down permanently owing to depressed business conditions. Whereas last year, 106 filatures were being operated, partially hoping that Nanking would advance them money to carry on successfully, there are now only 74 existing.

Of those in the Settlement, 11 in number, two are closed, and 6,450 persons employed, a decrease of about 700. Outside the Settlement, there were formerly 86 filatures, now 63, with only 41 operating. These employ about 13,000 hands, the normal complement being about 34,000. There are 19,000 persons working in this industry, the number of unemployed being 21,000.

Several of the Chinese-owned filatures in the Hongkew District have been forced to suspend operations as a result of a strike declared by their workers numbering approximately 1,000.

There are more than 20 Chinese silk filatures in Hongkew, practically all of which suspended operations during the period of recent war. Recently, about ten of them resumed work, but, owing to the depressed state of trade and financial difficulties, they increased the number of working hours and reduced the wages of the workers.

Several days ago, the workers, through their labour union, submitted a demand to their employers for the restoration of their original wages. Failing to receive a satisfactory reply, the workers of the Yi Chang Filature went on strike and succeeded in persuading the workers of the Yung Chang and Hsiang Cheng Filatures on Tiendong Road to join the strike. About 1,000 workers are now idle.

The Zing Kee Filature on Dixwell Road and the Tung Wei and the Yung Ching Filatures on Wuchow Road have requested the Chapei Safety Bureau and the Harbin Road Police Station respectively for protection. No trouble, however, has so far occurred.

TELEPHONE STRIKE SETTLED

All Departments Working Normally

June 23.

The strike of the workers of the Shanghai Telephone Company was brought to an end yesterday morning, when all but about 90 returned to their posts unconditionally. It was believed that the remainder of the strikers might have gone out of town, or not informed, and that they would return to work to-day.

A spokesman of the Shanghai Telephone Company informed a representative of the "North-China Daily News" yesterday that the strike which started more than two weeks ago involved approximately 2,000 Chinese employees. A small portion of the strikers joined the Company during the last week-end, about 75 per cent. on Tuesday morning and 20 per cent. yesterday morning. The remainder of the strikers still outside constituted less than 5 per cent. of the total number of men who had joined the strike.

All the departments of the Shanghai Telephone Company are working under normal conditions. At prominent places on the walls of all the telephone exchanges yesterday were posted notices urging the remainder of the strikers to return to work before this evening, as the Company would take whatever steps it considered necessary towards the filling or cancelling of any vacancies still open to them.

The workers who returned to their posts received no pay during the period of strike. Twelve workers who walked out in the following four exchanges: the West, Montigny, Wayside and North Exchanges, on the evening of June 7, and where damage was done, have been dismissed by the management.

P. & O. S. KARMALA'S LAST VOYAGE

The P. & O. steamer Karmala left Shanghai on June 22 on her final voyage to Japan after 18 years' steady service.

Out of date and superseded by faster and more commodious vessels she has been sold to Japan where she will be broken up.

She is the third of the "K" class ships to be disposed of in this way, the contract with the Japanese firm demanding that they shall be disintegrated and not employed.

The Karmala has been used mostly on the China-Japan run during her career, and her place and those of other "K" class ships, have been taken by the new "C" class vessels.

SERIOUS MOTOR ACCIDENT

Four Passengers Trapped in Automobile

Six persons narrowly escaped death on June 26 at 2 p.m. on Hungjao Road, when the Ford Tudor sedan, driven by Mr. V. F. Morosoff, collided with a large tree. The driver was rendered unconscious, as was his mother, sister, and Mrs. Goffmark, while Mrs. P. O. Chistiakoff and her five-year-old daughter were bruised.

The victims were fortunate that Mr. N. H. Lacey, who was driving toward town, saw the wreck and lifted the injured persons into his car, rushing them to the Country Hospital, where Dr. Jernakoff attended them. Several hours after the accident four persons were still unconscious, while Mrs. Chistiakoff and her daughter had been allowed to go home.

According to the doctors, Mr. Morosoff was badly cut about the face and legs: Mrs. Goffmark was badly cut about the face, the wounds requiring stitching, Miss E. F. Morosoff had sustained serious internal injuries, the total extent of which are not yet known; Mrs. Chistiakoff and her daughter had comparatively minor bruises.

The party had left the family residence at 302 Route Vallon and had gone to Hungjao Road, proceeding in a westerly direction. Having proceeded 100 yards beyond the railway crossing, the car, which was thought to be travelling at a fairly high speed, appears to have scraped the left embankment, which is not high. There are minute signs of it having struck tree No. 368 on the south side.

Then, it is stated, the driver noticed two Chinese boys crossing the road and swerved to avoid them, leaving the pavement and going on the dirt portion of Hungjao Road. At a point 30 or 40 yards further on the vehicle mounted the right-hand embankment, about 15 inches high, with both wheels. Exactly what happened from this spot to the collision with the tree is only conjectured. It would seem, however, that Mr. Morosoff managed to get the front right wheel off the elevation, with the right rear wheel still somewhat higher.

While he attempted to right the car, the right hand door hit the tree, officially known as No. 183, on the north side of the highway.

With the impact, Mrs. Chistiakoff and her daughter who were sitting on the left front seat, which is collapsible, were thrown out through the door, which had sprung open. The others were pinned under the roof and sides of the badly smashed vehicle. Mrs. Chistiakoff could do nothing towards extricating her friends—she were so tightly wedged in—and they had to remain there until Mr. Lacey drove up.

The forward portion of the coach is a wreck. According to the police, the windshield and the right door struck almost simultaneously and the entire section was caved in. The top and door were thrown against the driver and the force of the impact buckled the rear right door in two places.

Every pane of glass, with the exception of that in the left front door which was down, was smashed to smithereens. That the windshield was of safety glass, it is said, was responsible for the lack of serious cuts received by passengers. Portions of the screen were stuck to the tree when the police arrived.

The driver may consider himself fortunate in that the wheel snapped off and prevented violent injuries from this. Flying bits of window glass, however, were responsible for a number of cuts received by the ladies and by Leda Chistiakoff. Inasmuch as the contact was at the top, neither of the running boards or fenders were damaged, and, while the engine is not in true alignment, no great damage was done in this respect.

Mr. Morosoff, employed at Jan's Beauty Parlour, had previously possessed a small Continental car, and it is said that this was the first time he had driven the Ford for any distance.

Messrs. Kanaivitsky and Rynik, Russians, were injured in the face and head at 8.27 o'clock on Sunday when a Ford hire car, in which they were travelling, collided with a railless tram at the corner of Kiangse and Nanking roads. Shortly after the accident, an ambulance from the Central Fire Station arrived on the scene and conveyed the two foreigners to the General Hospital for treatment. Mr. Kanaivitsky is suffering from a contusion of the head, while his friend has a deep cut on the right side of the upper lip.

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CLAIMS FOR WAR LOSSES

Attitude of Insurance Companies Defined

The attitude of insurance companies regarding claims made against them for losses arising out of the Sino-Japanese hostilities is made clear in an official statement issued by the Special Insurance Committee Sino-Japanese Hostilities (1932) which represents all insurance companies in Shanghai.

The statement reads:

From reports which have recently appeared in certain organs of the local Press, it would appear that some doubt still exists in the minds of some sections of the community regarding the liability of insurance companies in respect of the destruction, whether by fire or through other causes, of properties situated in the zones involved in the recent Sino-Japanese hostilities which were insured with them.

In this connection it is not necessary, of course, to discuss the position with regard to the liability under the many policies which were taken out against war risks. Special rates of premium were paid for these and, in those cases where the insured property sustained damage, adjustment of the losses has proceeded without question.

The controversy which has arisen locally is in respect of the companies' liability under their ordinary policies of fire insurance which were issued in normal times.

The intention of these latter contracts is to provide an indemnity for loss occasioned by an outbreak of fire in the ordinary sense of the term and occurring under normal conditions, not for loss through fire caused by events of a purely exceptional nature. These exceptions are clearly set out in the conditions printed on the companies' policies.

The great European War brought into prominence the fire risk attending modern military operations, and in order to meet the losses incurred through the operations of war, the British Government then created a special department to deal with insurances against loss from bombardment and aircraft. It should be noted that the Government scheme included not only losses due to enemy act but also those incurred through the measures taken to resist the enemy, emphasizing that the "exceptions" condition in the ordinary fire policy applies to all losses by fire originating from a state of war, whether the loss was due to a hostile act or otherwise.

The ordinary fire insurance policy contains exceptions which are undoubtedly sufficiently comprehensive to cover such a state of affairs as has recently been experienced here, no matter by what name it may be called, and, if for no other reason than that of preserving a principle vital to their business, the companies' attitude must continue to be that in respect of no case arising out of these happenings can there be room for sympathy with the claimants on the part of the companies from the insurance point of view. Nothing can be clearer than that none of the insurance companies ever intended to include in their ordinary policies the type of loss for which payment is now sought and there is no doubt whatever that claimants as a body know this quite as well as the companies do.

Though it may not be at all palatable to them to do so, the claimants must realise that there can never be any weakening of the attitude of the companies towards this question. All concerned are prefectly well aware that this type of risk was not insured against by the ordinary fire policy and it must be thoroughly understood that the companies are neither to be frightened nor cajoled into behaving as though some kind of responsibility for meeting losses of this character was implicit in the acceptance of the ordinary rate of premium for insurance against "ordinary" fires.

Cases will be considered on their merits on claims being made and, in the event of rejection of any claim, the result of any action or proceeding arising thereout, in whatever court such action or proceeding may be taken, will not be considered by the companies individually as binding in any other case, nor will any individual case be treated as in any sense a "test" case.

It may be considered by some that the insurance companies have been somewhat tardy in giving any wide publicity to the attitude they are maintaining towards this matter. In responsible quarters it is, however, appreciated that there is really no occasion for them to do so and, in any case, the question is one of such importance to the whole future of insurance business that local representatives have deemed it necessary to make quite sure of their head offices' views on the subject first.

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DING DAJ 19/23 23.22 23/6/32 8290
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LCO HAWKINGS OVERSEAS LEAGUE SHANGHAI
MY SINCERE THANKS TO MEMBERS OVERSEAS LEAGUE SHANGHAI
FOR KIND BIRTHDAY CONGRATULATIONS
EDWARD P

Telegram from the Prince of Wales in reply to the birthday congratulations cabled by Mr. W. J. Hawkings, Secretary of the Shanghai branch of the Overseas League.

CHINESE CREDIT ASSOCIATION

Difficulties of Past Obviated: Educating Chinese and Foreigners

There was a large gathering at the Chinese Bankers' Club, 4 Hongkong Road, on June 21 in response to invitations of the Credit Men's Association of China and the Bankers' Co-operative Credit Service, 1 Yuenmingyuen Road, to attend the inauguration of the later service. Mr. Li Ming, the chairman, presided on behalf of the member banks, namely, the Bank of China, the Bank of Communications, the Central Bank of China, the Chekiang Industrial Bank, the China State Bank, the Chung Foo Union Bank, the Commercial Bank of China, the Development Bank of China, the Joint Savings Society and Treasury, the Ming Hwa Commercial & Savings Bank, the National Commercial Bank, the National Industrial Bank, the Shanghai Commercial & Savings Bank, and the Sin Hwa Trust & Savings Bank.

Among those present were Sir John Brenan, H.M. Consul-General, Mr. Louis Beale, H.M. Commercial Counsellor; Mr. G. C. Pelham, of H. M. Legation; Mr. V. Meyer, Mr. G. Hogg, Mr. T. C. Britton, Mr. R. Calder Marshall, Mr. Boris P. Hart, Mr. J. Meyrier, Consul-General for France; Mr. E. Saussine, the French Commercial Attaché; Dr. W. Vogel, of the German Chamber of Commerce; Mr. J. Van Haute, the Belgian Consul-General; Mr. Lopes de Almeida, Consul for Brazil; and Mr. M. Speelman.

In the course of an address, Mr. Li Ming said:—

Chinese bankers have long felt the necessity of organising a credit information service in this country. During the last 20 years, the matter received serious attention, and more than once efforts towards the formation of such an organisation had been made. The first formal step in this direction was taken during the annual meeting of the Bankers' Associations of China in May, 1921. A definite proposal was made by the Shanghai Bankers' Association that steps should be taken to establish a credit information bureau. The Tientsin Bankers' Association at the same meeting put forward a similar proposal, to organise an international commercial intelligence service. It was accordingly resolved that a Credit Information Bureau be established upon a national scale.

Due to political disturbances in the country and lack of a well-trained staff, this recommendation was not carried out on a national basis as originally intended. The decision was later modified to a proposal for the establishment of local credit services in the larger cities, leaving the question of their national organisation for future consideration. Even this less ambitious plan did not eventuate. These decisions nevertheless indicated that Chinese bankers had, for a long time, been aware of the necessity of having credit information services.

May I presume that foreign banks and business houses are also confronted with the difficulty in ascertaining the financial position of Chinese merchants and business houses with which they wish to do business. We are aware of this difficulty from the simple fact that the number of inquiries reaching the credit department of modern Chinese banks is steadily increasing. Indeed, these banks, while perfectly willing to supply information at their disposal to foreign banks and firms, find that the numbers of inquiries are such that it is not possible to seek independent information should it not be readily on hand. And, in search of such information, our foreign friends may address a number of Chinese banks at the same time, and, thus, several credit departments will be engaged upon the same problem. The logical step is the pooling together of the information and experience of these modern Chinese banks with a view to placing information as accurate as possible in the hands of their applicants.

With the information, then, of the Bankers' Co-operative Credit Service, concrete steps have been taken to give better facilities to the public in the way of supplying credit information. Fifteen modern banks have now placed their credit information at the disposal of a central organisation while others are expected to join the association in the near future. A trained investigation staff makes further inquiries in addition to the information supplied by the member banks. Information from all sources is checked and counter-checked with the assistance of the credit men from the banks concerned, and there can, therefore, be placed at the disposal of the public, reasonably sound information in response to every inquiry.

Now, we seek the co-operation of our foreign friends. We hope that our service later will be self-advertising: that it will be of such a calibre that no banks and firms, Chinese or foreign, will desire to be without the confidential and valuable service it can render. But in the initial stages, before it has been able to establish that reputation for accurate information and honest dealing at which it aims, it seeks to enrol as members all foreign banks and firms operating in this city. I am sure we can look forward with confidence to the valued support of all who are present to-day, and to their ready recommendation to their friends on our behalf.

Mr. R. Calder Marshall said that one of the main difficulties confronting all merchants in the past was the difficulty of obtaining accurate information regarding the character and standing of firms with which they had transactions. It would doubtless be some considerable time before the Bankers' Co-Operative Credit Service was able to give real service but he was sure that if it could get the co-operation of the merchants, much could be done to help the merchants. Not only would losses be prevented through rash ventures but merchants would be enabled to obtain a knowledge of the firm with which they were dealing and they would be able to advance with greater confidence than in the past. In the past, there was a feeling of insecurity but, with the new service, this would be overcome. In the past, the merchants had to rely on their compradores and, while Mr. Calder Marshall did not wish to deprecate the services of compradores, it seemed to him that a service such as the new credit service would be in a position to give more and better information: it would be able to give light, which would be appreciated by all.

Mr. T. C. Britton said that, with the new service, merchants and bankers would be guided by knowledge instead of guesswork. It was necessary, he said, that the new service should educate foreign and Chinese firms. This might not be an easy task and it may take some time but he was sure that, with their persistence, the bankers would be successful. The old system was gradually changing and the element of individual responsibility was coming in, concluded Mr. Britton, who closed by expressing his best wishes for the success of the new organisation.

Mr. Boris P. Hart, of the National City Bank, a guest from New York, spoke of the confidence he had in the Chinese and of his admiration for which what Shanghai had accomplished. The patience and the doggedness of the Chinese, in spite of everything they had undergone, had amazed him and it was significant of what the future would be. He was dumbfounded with the industrial development of Shanghai and he was interested in the organisation of the new credit association. The speaker was loud in his praise for the modern Chinese banks and said that the Chinese modern banks had succeeded in their object, namely, of selling service. Indeed, he thought Chinese banks sold service better than the foreign banks from which they had obtained their first knowledge in western methods. The speaker than went on to deal with credit associations and credit methods, after which he closed by wishing the Chinese bankers all success.

RELEASE FROM KIDNAPPERS

Banker's Children Freed by French Police

The French Police on June 23 rescued from the hands of kidnappers the two children of Mr. Hu Pih-kiang, director of the China and South Seas Bank, who were abducted on June 3 last. Nine of the kidnapping gang were arrested by the police, who shot and seriously wounded one of them as he was trying to escape.

The kidnapping itself was sensational, the children being taken as they were leaving the lane, No. 877, leading to their school off Avenue Foch, and the rapidly carried out affair being witnessed by an American, Mr. Jansen, who gave chase. He pluckily followed the kidnappers' car in his own, and only desisted when the gangsters' shooting at him became too close to be comfortable. He was, however, able to make a quick report to the police, although in this case this proved of little avail. Later the gang demanded $200,000 for the release of the children, but nothing was paid.

Inquiries were immediately commenced by the French Police, but it was several days before they got on the trail of the affair. Then their suspicions were directed towards one Chow Yueh-lou, a man of no definite source of income.

A trap was set at Siopangwei village, Rue Ratard, where Chow lives, and after several days of careful watching the police were able to lay hands on Chow at 11.35 p.m. on Wednesday. He was taken to detective headquarters and cross-examined at length. He is alleged to have made a statement to the effect that the two kidnapped children were hidden in a house off Rue Conty, and a raid on the house was carried out. The children were not there.

Further cross-examination of the arrested man brought out the names of several others, alleged accomplices. All these were arrested in a series of raids on their respective homes, and they were all put under interrogation. For some time they were reticent, but at last an address was given, a house bearing the number 6 Saikangli, Rue Porte de l'Ouest.

Here, police made a raid. Both of the little victims were found safe and sound, while one of their two guards attempted to make an escape from the police, by means of a window. A detective brought him crashing to earth, seriously wounded with two shots from his pistol. The other guard surrendered, bringing the total number of the gang arrested up to nine.

LOCAL CHOLERA SITUATION

Epidemic Spreading in Other Cities

The cholera outbreak is evidently spreading in other cities in China, as well as Shanghai, according to a statement made by Dr. Wu Lien-teh, director of the National Quarantine Service, whose cholera bulletin for the week ending June 25, has reached the "North-China Daily News."

Canton has recorded over 400 cases, Nanking over 300, and Tientsin nearly 1,000, while other cities like Kashing, Soochow, Hankow, Chefoo, Tsingtao, Peking, Tangku, Swatow, etc., have shown invasion by the disease in a greater or lesser degree.

During the week ending June 25, 186 new bacteriologically-confirmed cases (11 ending fatally) were recorded as follows:—

	Cases	Deaths
Greater Shanghai	87	5
Int. Settlement	85	5
French Concession	14	1
Total	186	11
Brought forward ..	520	30
Total to date	706	41

Among the patients were six foreigners (one German, one British woman, one Filipino woman, one Portuguese and two Japanese).

The Nanking Health Administration has taken the initiative in examining thousands of public and private wells, and disinfecting them. Bacteriological examinations have also been conducted upon this sole source of drinking water (since no waterworks have yet been installed in the capital) and so far eight wells have been found to contain virulent cholera vibrio.

Disinfection of the wells is done with ordinary bleaching powder (15-30 per cent. free chlorine), or HTH—concentrated preparation of calcium hypochlorite containing 65 per cent. free chlorine.

In Nanking also, eight cholera carriers have been isolated from among the contacts of cholera patients. It is hoped that the example set by Nanking will be followed in Shanghai which has only a limited number of wells and other undesirable sources of water supply.

Appeals have been made to various chambers of commerce, ratepayers' associations, business organisations, as well as health authorities to use their influence in adopting concerted measures in meeting the present crisis, especially in providing cheap or free water for the inhabitants of the poorer districts. It seems that this will not be a difficult matter, as large numbers of water carts at present lying idle can be utilised for the purpose, and the cost to the water companies and general community will be infinitesimal as compared with the loss in lives, hindrance to trade, shipping disorganisation, avoidable hospitalisation, etc.

ST. GEORGE'S SOCIETY

Results Announced of This Year's Examinations

With a view to encouraging the study of essentially English subjects such as history, literature etc. it has been the practice for the past nine years for the Shanghai Branch of the Royal Society of St. George to offer two scholarships annually, one for a boy and one for a girl, to be awarded as the result of competitive examinations. The scholarships are worth $100 each and the only conditions are that the candidates must be children of Englishmen and under seventeen years of age at the date of the examination. It is stipulated that the scholarships must be devoted to defrayment of charges for tuition and text books.

This year the scholarships were as keenly contested as usual, there being 15 boy and 15 girl candidates. There were 21 entrants from the Public Schools, 12 boys and 9 girls, while the Cathedral Schools supplied 8 candidates, 5 boys and 3 girls. At the examinations, held on June 2, Sir Peter Grain, President of the Society, Mr. R. F. C. Master and Mr. E. Haward undertook the duties of examiners. The successful candidates were Dorothy Mousley, of the Public School for Girls, and W. Wolnizer, of the Public and Thomas Hanbury School for Boys. The President will shortly visit the schools and present the prizes to the winners.

HONOUR FOR MR. S. FESSENDEN

Brunswick, June 23.

An honorary degree of Doctor of Laws was bestowed to-day by Bowdoin College upon Mr. Sterling Fessenden, Secretary-General of the Shanghai Municipal Council.—Reuter.

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FLOOD RELIEF REVIEWED

Mr. Soong's Appreciation of Services of Sir John Hope Simpson

At a plenary meeting of the National Flood Relief Commission held at the Central Bank Building yesterday afternoon, Mr. T. V. Soong, Chairman of the Commission, reviewed the activities of the Commission since it was brought into being. Speeches were also made by Sir John Hope Simpson, the Director-General of the Commission, Gen. Chu Ching-lan, Director of the Field Operations Department, Dr. J. H. Liu, Director of the Hygiene and Sanitation Department, Mr. T. C. Hsi, Chief of the Labour Relief Division, and Mr. J. E. Baker, Chief of the Commissary Division, on the activities under their respective charge.

Mr. Soong addressing the members said: You have before you a preliminary report detailing the activities of the Commission to date, and a resolution recommended for your acceptance by your Standing Committee at its meeting held on June 18.

It will be remembered that at the first general meeting of the Commission on September 9, 1931, I referred to the stupendous nature of the flood, which was of such a nature that its effects might have been possibly mitigated but the flood itself certainly could not have been averted; I emphasised the necessity of combining all public and private resources for relief and prevention; and concluded that the resources available in any case being limited, they should be carefully husbanded and expended on selected tasks to yield the maximum results, rather than frittered away in an attempt to cover the whole area of operations.

The plan as adopted by the Commission consisted of giving immediate relief to the victims of the flood, where they could be reached, in the way of food, shelter, and sanitary protection; and so soon as the water receded sufficiently we should repair or reconstruct the dykes, most of which have been washed away, to sufficient height and strength to withstand the normal drainage of the Yangtze River, in other words to restore the status quo ante or even to improve on it, as far as our limited resources would permit; and lastly we were to retain sufficient resources to help the spring sowing of the farmers, and, whenever possible, to assist them in the rehabilitation of their farms.

The greatest emphasis was naturally laid on dyke work, as its beneficial effects are more permanent, and upon its success rests the ultimate usefulness of immediate relief to the flood sufferers, or any assistance at rehabilitation of the farms. It is the opinion of your Committee that the main features of the work have been adhered to faithfully, and that within the limits of our resources the original plan has been advanced to the stage as to call for the adoption of the Resolution that is now before you.

On this occasion I cannot touch upon more than a few high lights of our work. The financial aspect naturally was of prime interest, as the extent of our work is conditioned on our resources. There were people who based reliance mainly on a government bond issue of $80,000,000 to purchase wheat and other grains from Manchuria for relief. But those actually responsible for the flood relief held that the bond market could not easily absorb any such issue, and that grains from Manchuria would depend too much on fortuitous circumstances. It was decided instead to concentrate attention on the purchase of America's surplus wheat on long term credit to raise money from private subscriptions, and to supplement the two by a surtax on Customs. Events have justified the correctness of this course of action in no uncertain manner.

By the agreement of September 25, 1931, between the National Government and the Government of the United States, the Commission obtained 15,000,000 bushels of wheat and flour from America. The cost of this wheat and flour amounts to U.S.$9,212,828.46, which at the present rate of exchange equals to about $43,000,000. Repayment of this purchase is based on a 5 per cent. surtax, effective from August 1, 1932, till the entire loan is paid for.

Contributions from various sources have now reached the handsome sum of $7,387,400, which is very gratifying, bearing in mind large contributions for flood relief received by other charity organisations, the extent of the present world-wide economic depression, and the Japanese actions in Manchuria and Shanghai.

Finally, owing to the foreseen weakness of the bond markets the $30,000,000 bond issue for flood relief was withdrawn from circulation, and in its place a 10 per cent. Customs surtax was levied for the 8 months from December 1, 1931 to July 31, 1932. The yield of the surtax up to June 20 amounts to $12,131,555. The total resources at the disposal of the Commission, including the wheat and flour, amount in round figures to $65,000,000. This was forecast with remarkable accuracy at the first general meeting of the Commission last September when we estimated our budget at $70,000,000.

Turning to the expenditure side, time forbids me from even enumerating the manifold activities of our Commission. You will see from the preliminary report before you that

Mr. H. G. W. Woodhead, C.B.E., editor of "The China Year Book," the 1932 edition of which is now on sale.

approximately one-third of the wheat and flour has been allocated towards emergency relief, farm relief, and as subsidy towards the construction or repair of private dykes. The remaining two-thirds of the wheat and flour have been allocated towards paying workers' wages in the construction and restoration of the main dykes. The other items of expenditure follow closely the estimates made at the general meeting last September. Transportation charges have been somewhat lower because of the conversion of a portion of the wheat and flour into cash in order to overcome transportation difficulties in sending relief supplies to inaccessible regions.

As I described at our first meeting, owing to the stupendous nature of the disaster, we have no experience to guide us in giving relief on such a vast scale. We have to operate with an improvised staff drawn throughout the country from all walks of life, engineers and doctors from technical organisations or in private practice, students for our survey and inspection work, missionaries experienced in relief work or with intimate knowledge of local conditions, and depot keepers on temporary hire. With such a scratch organization mistakes, and frequently serious mistakes, were unavoidable, but the Commission could rest assured that whatever mistakes that occurred were mistakes of the head and not of the heart. Above all it is a matter of satisfaction to record that in the expenditure of nearly $65,000,000, there was not the slightest intrusion of politics of any nature. Even when the Japanese guns were attacking Chapei, and even in the Communist-occupied regions where members of our staff were repeatedly captured, work progressed regularly on schedule without interruption.

In consequence, to take the most important aspect of our work, dyke building progressed with rapidity on the Yangtze stretching from below Shasi to Koachow below Chingkiang, and through the vulnerable regions of the Han and Hwai Rivers and the Grand Canal, and a total of 5,000 kilometres of dykes were constructed, much of it entirely new work. At the height of our building activities as many as 1,400,000 refugee labourers were employed.

The entire staff of our Commission, many of whom are serving without pay, have been extremely devoted to their work and are beyond praise. I cannot, however, forbear mentioning the names of Sir John Hope Simpson, who came to us from equally meritorious services in India and Greece, and General Chu Ching-lan; both of whom stand as models of zeal and probity, and whose labours have much to do with bringing our work to a successful conclusion.

In closing, I may add a word of explanation about the proposed resolution. More than 95 per cent. of the tasks we set ourselves to have been finished, and it is unnecessary to keep the present large organization. Provision has been made and funds are available for carrying to completion the unfinished work. A system of inspection and maintenance of the dykes we have built has likewise been devised. We feel justified therefore in commencing the regular and ordinary winding up of our work so that we may hand over to the Government the result of our efforts, and suggest such effective measures as may be necessary to keep up the dykes from year to year.

The following resolution was then passed:

"That a recommendation be made to the National Flood Relief Commission that as from July 1 1932, the operations of the Commission be wound up except in the cases of those departments in which work has been commenced but has not yet been completed;

That in the case of unfinished work, as soon as that work is completed the department concerned be wound up.

That the Chairman be empowered to appoint a small executive committee from among the members of the Commission's staff to supervise the liquidation of the affairs of the Commission."—Kuo Min.

SHIP COLLISION AT WOOSUNG

Haiping Aground Near Kiutoan Light

Two steamers were compelled to return to port for repairs as a result of a collision which occurred between the vessels on the Yangtze river near Kiutoan Light on Saturday. The vessels are the Tangshan Maru and the Haiping.

At 8.40 p.m. on Saturday the N.K.K. steamer Tangshan Maru was passing the Kiutoan light vessel, 24 miles from Woosung, just as the steamer Haiping, of the Haichang Steamship Company was approaching from the opposite direction. For some reason not yet ascertained the Haiping suddenly altered her course to port, which caused her to cross the bows of the Tangshan Maru. The latter immediately put over her helm to avoid collision but could not get away in time and the Haiping struck her on the starboard bow. The Haiping then, from the glancing impact, went off at a tangent and found herself aground. Not until 3.36 a.m. on Sunday was she able to get off, but, though considerably damaged, she floated off when the tide rose and made her way to Shanghai.

The Tangshan Maru also sustained multiple damage to her stem and was forced to return to port.

Members of the crew of a passing German vessel, which was forced to alter her course as the Haiping swerved describe the peculiar effect of the collision. As the two vessels swung together a shower of sparks arose and was visible for some distance.

POLICE OFFICER RETIRING

Inspr. C. Beale with 22 Years Service

On June 22, Tpr.-Inspr. "Charlie" Beale dismounted from his pony at Bubbling Well Station for the last official time, although it will be several weeks before he bids Shanghai farewell. The popular inspector has been a familiar figure in the Western district for more years than the average Shanghailander can remember, and his cherry "Good Morning," followed by a friendly salute will be missed by many who were fortunate enough to receive this friendly gesture.

Inspr. Beale has been granted short leave, prior to his official retirement on June 30.

Mr. Beale joined the S.M.P., in 1910 and in a short time his superiors learned of his love for ponies and he has been associated with the mounted unit for the greater part of his service. In 1914, he left port with the first volunteers in the Suwa Maru. His military record also included an active participation in the South African war.

In the Force, he held an enviable record as cartoonist and artist, many of the recreation rooms being adorned with the results of his brush. His "Following the Ponies" is still hung at Bubbling Well station. Of quiet and retiring nature, his many friends will wish him and family much happiness.

R.A.O.C. OFFICER INVALIDED

Captain C. Townsend Leaving on Kaiser-i-Hind

Among the passengers leaving Shanghai by the P. & O. steamer Kaiser-i-Hind to-day is Captain C. Townsend of the Royal Army Ordnance Corps, who until February 22 was acting in the capacity of Deputy Assistant Director of Ordnance Stores.

Captain Townsend is unfortunately being invalided home after three months in hospital consequent on a regrettable accident he encountered in the course of duty. During the hostilities it was his job to retrieve the "dud" shells which fell in the Settlement and render them harmless by defusing them. He had successfully defused several but while engaged in removing the detonator from another fuse it suddenly exploded and caused severe injuries to his eyes. Three months has produced considerable improvement, although he has not yet fully recovered his eyesight, and he returns to England to be admitted to Millbank Hospital, London, for further special treatment.

Captain C. Townsend

With him go Mrs. Townsend and a very recent recruit to the family.

Captain Townsend received his commission in 1919 in the King's Shropshire Light Infantry and was attached to the Ordnance Corps in 1921. He is a keen sportsman, not only taking part in all kinds of sports but outstanding in that he has the distinction of having played hockey in the Army team in England. In addition he is a keen and proficient rifle shot. His home is in Devonshire and it is hoped that, after his complete recovery he will be able to relax in the most charming county in England during a well-earned leave.

PERSONAL NOTES

Miss A. Viola Smith, U. S. Trade Commissioner, left on June 24 for Home on holiday.

Mr. W. J. McLaughlin, attache to H.M. Legation in Peking, left for Home on June 22 on leave.

Mr. and Mrs. C. Hargreaves and Miss Hargreaves arrived from London by the Empress of Japan. Mr. Hargreaves is the manager of the Calico Printers Association here.

Mr. Wu Yu, Commissioner of Posts at Nanchang, Kiangsi, has been appointed Co-Commissioner in Shanghai, to succeed Mr. Chang Yung-chang, who has been transferred to Nanning, Kuangsi.

First Sergeant Raymond G. Jones, the band conductor of the Fourth Regiment, U.S. Marine Corps, sailed for Home on the 25th instant. Sergeant Jones has been in charge of the Marines band for two years and his experience covers a long period. He played flute in Sousa's Band some years ago and only recently he had the honour of directing the Municipal Symphony Concert.

MRS. E. H. Lynch widow of the late Inspector Lynch, of the Shanghai Municipal Police, has arrived here from Australia on a visit.

Mrs. C. O. Julian and Master Julian are sailing for Canada on the Canadian Pacific liner Empress of Japan. They will be absent from Shanghai for six months.

MR. Quo Tai-chi, who is at present visiting Nanking, will be leaving Shanghai on July 4 for London to assume his new duties as Chinese Minister to the Court of St. James.

MISS E. M. Hancock, professor of mathematics at Yenching University, Peking, will be a passenger sailing for England to-day by the P. & O. S. Kaiser-in-Hind. She is going on a year's leave.

Mrs. E. S. Cunningham, wife of the U. S. Consul-General and Senior Consul, left on June 24 by the Dollar str. President Coolidge to spend a short holiday in California and she will probably return some time in September.

Mr. Russell Owen, of the "New York Times," who accompanied Rear-Admiral Richard Byrd to the Antarctic, arrived in Shanghai yesterday from Manila. Whilst in the Philippines, he accompanied Mr. Theodore Roosevelt, the Governor-General, on a tour of the islands.

THE following awards have been made to members of the Fourth Regiment of the U. S. Marines now stationed in Shanghai:—Expeditionary Medal to Sergeant L. H. McLain for duty in Haiti during 1923-1924; Expeditionary Medal with the numeral 2 to Paymaster Sergeant E. C. Ford for service in China in 1912 and Cuba in 1917; and Expeditionary Medal with numeral 2 to Quartermaster Sergeant L. Greenberg for duty in Haiti in 1921 and the Dominican Republic in 1924.

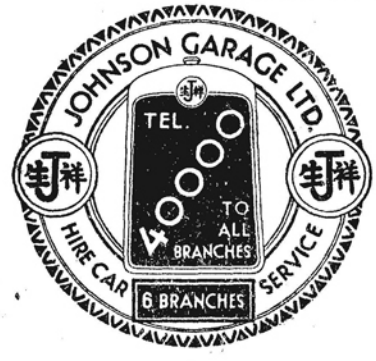
Mr. Arthur Peterson, of Missouri, has been appointed U.S. Deputy Marshal for China to succeed Mr. William Van Buskirk, who has retired from office and is to leave China for Seattle to-day. Mr. Peterson, who has been assistant deputy marshal since September 10, 1930, arrived in Shanghai in 1927 and prior to joining the U.S. Court for China he served for 20 years in the U.S. Navy, being honourably discharged on September 10, 1930.

MR. Francis Miller, chairman of the World's Student Christian Federation, visited Shanghai last week with Mrs. Miller. It is seldom that the chairman of the World's Student Christian Federation pays a visit to any country, especially the Far East, because of the distance from the headquarters in Geneva. The last chairman of the Federation to visit China was Dr. John R. Mott, whose successor Mr. Miller, who has been serving since his election at Mysore, India, 1929, is.

Colonel K. C. Yang, a well-known Shanghai resident, has accepted a military commission from the Canton Government as Brigadier-General of Second Division of the 60th Route Army. Colonel Yang, who has also been appointed concurrent Chief of Intelligence Department of the same force, is prominent in local and south China foreign circles. During the recent Sino-Japanese hostilities in Shanghai, he voluntarily offered himself to work in the S.V.C. intelligence department from the beginning until the end of the trouble, and he rendered valuable service to Col. N. W. B. B. Thoms, the Commandant.

A case of cholera was discovered this morning on the cable ship Store Nordiske. The quarantine authorities made a most careful investigation of the vessel and inoculated every member of the crew. The patient has been taken to the Municipal Isolation Hospital.

THE National Quarantine Service has received cable advices from Canton stating that 333 cases of cholera, with 152 deaths, have occurred in that city. The first case of cholera in Hongkong (not directly imported) was recorded on June 22.



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COMMERCE AND FINANCE

MONEY AND EXCHANGE

Hongkong & Shanghai Bank

TUESDAY, JUNE 28

Bar Silver 16 11/16

MARKET SELLING RATES

£1 at 1/7½=₮12.31 at 68.80=$17.89
U.S. $100 at 29¼=₮341.89 at 68.80=$496.92
Chi. dollars, per $100, selling ₮69.20
Chi. dollars, per $100, buying ₮68.80
Native interest per day on ₮1,000 ₮12
Copper Cash per ₮100, 425,000
New York on London G.$3.61¼
Customs Gold Unit, 1.368

BANKS DEMAND BUYING RATES

£1 at 1/7 13/16=₮12.11 at 69.2=$17.51
U.S. $100 at 29⅞=₮334.73 at 69.2=$483.71

OFFICIAL SELLING RATES (per Tael)

London—Tel. transfer	1/7½
New York—Tel. transfer	29¼
PARIS—Demand	Francs 746
India—Demand	Rupees 108½
Batavia—Demand	Gulden 73
HONGKONG—Demand	Dollars 77½ nom.
YOKOHAMA—Demand	Yen 93½ nom.
SINGAPORE—Demand	Dollars 142½

MARKET BUYING RATES (per Tael)

LONDON—Demand	1/7 13/16
4 months' sight credits	1/8 5/16
4 months' sight docts	1/8 5/16
6 months' sight credits	1/8⅜
6 months' sight docts	1/8½
NEW YORK—Demand	G.$29⅞
4 months' sight credits	30⅜
PARIS—4 months' sight docts	Fcs. 776

The National City Bank of New York

10 a.m.

Demand selling rate on America: U.S. 1.00=Sh. $4.9480
Demand buying rate on America: U.S. $1.00=Sh. $4.8169
Demand selling rate on London: £1.0.0 =Sh. $17.832
Demand buying rate on London: £1.0.0 =Sh. $17.341

Deutsch-Asiatische Bank

OPENING SELLING RATES

Berlin/Hamburg ₮100.=Rm. 124.00
" Mex. $100.=Rm. 85.44

Italian Bank for China

It. Lire	5.74		₮ 1
It. Lire	3.95	Mex	$ 1
Swiss Frs	1.50		₮ 1

American Oriental Bank

SELLING DEMAND DRAFTS

U.S. $100.00 M. $492.71
Stg. £1.0.0. M. $ 17.78

BUYING DEMAND DRAFTS

U.S. $100.00 M. $481.70
Stg. £1.0.0. M. $ 17.40

The American Express Co. Inc.

BUYING

U.S. $100.00 Mex. $481.09
Stg. £1.0.0. Mex. $ 17.59

SELLING

U.S. $100.00 Mex. $500.00
Stg. £1.0.0. Mex. $ 17.75

SELLING RATES

London T/T	1/7⅝
London D/D	1/7⅝
France T/T	746½
America T/T	29 5/16
America D/D	29 5/16
Hamburg (RM) T/T	124
Hongkong T/T	77½
Japan T/T	93½
Straits T/T	142½

Domestic Exchange

Peking	₮1,000=Shanghai		₮1,043
"	$1,000=	"	$1,009
Tientsin	₮1,000=	"	₮1,051
"	$1,000=	"	$1,008
Hankow	₮1,000=	"	₮1,031
"	$1,000=	"	$1,005
Tsinanfu	$1,000=	"	$1,001
Tsingtao	$1,000=	"	$1,001
Chefoo	$1,000=	"	$1,001
Nanking	$1,000=	"	$1,001
Wuhu	$1,000=	"	$1,003
Kiukiang	$1,000=	"	$1,004
Hangchow	$1,000=	"	$1,001
Foochow	$1,000=	"	$1,007
Amoy	$1,000=	"	$1,013
Canton S.	$1,000=	"	₮ 550
Swatow	$1,000=	"	$1,000
Mukden	$1,000=	"	$1,000
Harbin	$1,000=	"	$ 800

Subsidiary Coin Exchange

Mex. and Chinese Dollars:—a.m. 100 =₮69.0125; p.m. 100=₮69.0125.

Kiangnan Silver 20-cents:—a.m. 500 =₮59.7; p.m. 500=₮59.7.

Canton Silver 20-cents:—a.m. 500= ₮58.3; p.m. 500=₮58.3.

Coppers:—a.m. 427,000 coppers= ₮100; p.m. 427,000 coppers=₮100.

SMALL CHANGE:—
5 silver 20-cents and 45 coppers=$1
294 coppers=$1
25 coppers=10-cents silver
10 cts. silver and 4 coppers=10 cts. big money
Mex. $1=₮0.69.0125
Tls. 1=Mex. $1.449

Exchange Market

Messrs. Lindsay, Drakeford & Davis

INTER BANK AUGUST DELIVERY

	Highest	Lowest
£	1/7 13/16	1/7¾
U.S. G.$	29 13/16	29 11/16
Yen	90¼	88½

MERCHANT CLOSING RATE (del. June/July)

BANK SELLING		BANK BUYING	
£ T.T.	1/7⅝	4 m/s. l.c.	1/8⅛
G.$ T.T.	29½	4 m/s. l.c.	30 3/16
Fcs. T.T.	752	4 m/s.	772
Rs. T.T.	109½	7 d/s.	112

BAR SILVER

	Ready	For's
London pence per std. oz.	16 11/16	16⅝
N.Y. cents per oz. troy	27 1/16	—
Bombay Rs. per 100 tolas	55.08	—

Bombay offtake 35 bars
Market steady

WEEK'S EXCHANGE NOTES

June 25.

At the close of business on the 23rd instant the stock of silver in Shanghai was Tls. 84,286,000 and $220,550,000.

These figures include Tls. 16,090,000 and $187,560,000 in Chinese banks in which there were 1741 bars.

BAR SILVER

Imports:—
1,041 bars from America
Exports:—
Nil.

SYCEE

Imports:—
Tls. 3,600,000 being $51 lacs of Dragon and Mex. dollars for melting a/c local Chinese
Exports:—
Nil.

DOLLARS

Imports:—

$1,000,000	from	Nanking
550,000	"	Tientsin
250,000	"	Kiukiang
50,000	"	Chinkiang
$1,850,000		

Exports:—
Nil.

Silver

Last quotations come as 16⅝d. ready and forward as against 16 11/16d. ready and 16⅝d. forward a week ago.

Exchange

The official rate is 1/7½d. as against 1/7¾d. a week ago. The Speculators position is estimated to be oversold in Sterling and U. S. Dollars the equivalent of £1,000,000.

Selling T.T. 1/7 11/16d. June. U.S. $29 5/16 June.

Buying 4 m/s. 1/8⅜d. June. U.S. $30⅜ June.

LONDON STOCK EXCHANGE

	June 26	June 27
Chinese Govt. Bonds:		
5% Reorgs. 1913, Lond.	60	60
4½% 1898 Eng.	84	84½
4½% 1908	59	59
5% 1912	35½	35½
5% 1925	81½	82
Imperial Rly. 5%	70½	71¼
S.N.R. 5%	28½	28½
Canton-Kowloon 5%	5-10	5-10
Tientsin-Pukow 5%	7-12	7-12
Tientsin-Pukow 5% 2nd	5-10	5-10
S'hai-H'chow-Ningpo 5%	55-½	55-½
Hukuang 5%	12-16*	12-16*
Honan 5%	5-10	5-10
Lunghai 5%	5½	5½
Marconi 8%	5-10	5-10
Vickers 8%	3-8	3-8
H. & S. Bank	94½	95
Chartered Bank	10½	10½
Merchantile Bank	16½	16½
I.C.S.N. 6% cum. pref.	3½	3½
I.C.S.N. def. ord.	2	2
Gula Kalumpong	6/3	6/3
B.A.T. Co. Reg.	71/3	71/3
Shell T. & T. Reg.	33/9	33/9
P. & O. def.	16/–	16/9
Jap. 5% £ Loan, 1907	51	48
Jap. 6% £ Loan, 1924	60	57½
Chi, Eng. & Mining	22/6	22/6
Consols	65	65
War Loan, 5%	101⅞	101¾
Canadian Pacific	12½	12⅛
Victory Bonds 4%	102⅞	102⅞
Ger. 7% Int. Loan, Br.	67½	66½
S'hai Elec. Con.	50/–	50/–

* Unofficial quotations.

—Reuter.

The following additional quotations have been received by the United Press:—

I.C.I., ord.	14/4½	14/4½
Courtaulds, ord.	25/7½	25/7½
Dunlops, ord.	11/6	11
Cables & Wireless "B"	8	7/7/6
do "A"	14/10	13/15
do pref.	44/10	44/5

—United Press.

LONDON CROSS RATES

London, June 27.

Among the leading cross rates quoted at the close of business in London to-day were the following:

London on Shanghai,	1/8	unchanged.
London on Yokohama,	1/6½	off ⅛
London on New York,	$3.61¼	off ⅛

—United Press.

THE SHANGHAI MARKETS

Unsatisfactory Business in Piece Goods: Silk Active

June 25.

Unsatisfactory conditions continued in the piece goods market during the past week, while at the Yuenfong auction a slight improvement was reported, despite a quiet undertone. All cereal markets show low prices.

In the export markets, silk has had a busy time during the earlier part of the week, while produce shows less than the little of the previous week.

PIECE GOODS

The piece goods market during the past week has continued very unsatisfactory, little or no new business being done in cotton goods, but a small inquiry for woollens being reported: with a further reduction in Bradford prices, small orders are being placed for quick shipment.

Clearances are poor and market prices generally show signs of further weakness due to poor demand from outports. In some lines dealers with funds in hand are taking delivery of cargo and are prepared to hold same in stock pending an improvement in market values, as they consider that market prices at present are scarcely justified by the general position and that, with any improvement in the general situation, prices in local currency are bound to advance.

Yuenfong Auctions

At the Yuenfong auction on Thursday sales totalled 118 packages. While the state of trade generally can be considered very quiet, some slight improvement is to be reported. This was chiefly noticeable in white shirtings, many types of which secured a somewhat stronger demand from Changsha, otherwise demand was small, Tientsin being particularly quiet. It is understood that Japanese cargo is being sold very cheaply up north, and here and elsewhere a similar policy seems to be being followed. Grey shirtings with but very few exceptions showed no signs of improvement and prices for the third week in succession declined. As regards dyed goods, there was a rather better tone for venetians and velvets, coatings and poplins were also in better demand.

During the week moderate sales of black italians have been effected, the chief feature here being quite a small rush of orders from Changsha for that port's specialities.

Deliveries seem to be rather better, river ports, Hankow and Kiukiang, having taken fair quantities of whites and sundry goods, but Tientsin and the local market have not been very strongly in the picture.

COTTON, YARN, ETC.

In their weekly report Messrs. J. Spunt & Co. state:

Chinese Cotton:—Nothing in the way of important developments took place in the trading of spot cotton and business done amounted in the aggregate to only 3,000 piculs at prices about the same level as last recorded. Notwithstanding the weakness in the yarn markets holders of actual cotton appear in no way to be discouraged and remain somewhat firm in their attitude, being influenced by the continued steadiness in the U.S.A. markets. However, values in the local cotton exchange have registered a recession of about Tls. 1 lower than that prevailing in the previous period. The weather has been unseasonably cool for the domestic new season crop but with favourable warm weather from now on any incipient deterioration will have been effectually nipped in the bud.

Yarn:—Our market during the week under review may be said to have been in a more or less lethargic state and only 1,500 bales changed hands at prices showing a decline of Tls. 2 per bale lower than that last recorded. There being very little demand emanating from the interior indicates further weak markets in the immediate future.

SILK

The silk market has had a fairly busy week, in which at least 200 bales of steam filatures were sold for European account, at the following prices: Double Eagle, Extra 1, 13/15, Tls. 600: Snowhill and Pagoda, 13/15, Tls. 560: Three Dancers Extra 1, 16/18, Tls. 560. Besides these, a few bales of Tussah Filatures Extra B First Choice were sold at Tls. 252½. Business at the end of the week became very quiet again on account of competition by Japan, which are more attractive again because of declining yen currency.

RICE

The rice market continues weak, Rangoon small mills selling at $9.70. No interest in imports is being shown and there will probably be no more new business this season.

FLOUR

The flour market remains quiet with very little trading, prices fluctuating within very narrow margins, while the tone of the market is weak. Spot flour closed at Tls. 1.83.

WHEAT

Prices on the wheat market have been very weak during the period under review, following the trend of Winnipeg and other supplying markets. Business on the wheat exchange in very restricted. Reports state that a sufficient quantity of Chinese wheat is available, but of very poor quality, the grain containing too much moisture and therefore being unsuitable for milling unless mixed with foreign wheat. Prospects for imports therefore are good, but as mills have still several forward purchases to receive, their stocks will be sufficient to cover requirements for the next two or three months. Under ordinary circumstances they would already be placing orders for future requirements, but on account of the narrowness of the flour market it is very difficult to cover or hedge, and also, as they are expecting a further drop in U.S., Canadian and Australian prices, the policy generally adopted by millers is one of waiting.

NEW YORK STOCK EXCHANGE

Range of Fluctuation and Dividends in Daily Share List

By courtesy Swan Culbertson & Fritz

Capital: Funded Debt ($000,000)	Capital: No. of Shares Outstdg. (000) Pref.	Com.	Price Range 1925 to Date: High	Low	Name of Stock (No par value except where indicated)	Dividends: Annual Rate $	Date of 1st quarterly payment	Book Value	Earnings: 5 yr. Average 1926-30	Actual 1931	Latest Quotations: June 24	June 25	Yield in %
10	76	1,715	75	1¾	Adams Express	—	—	—	—	0.91	2	2	nil
none	393	2,401	354¾	47¼	Allied Chemical and Dye	6*	Feb. 1	90	10.25	6.74	46	45½	13*
14	none	1,360	82¼	4½	Allis Chalmers	0.50	Feb. 15	33	2.85	0.96	6½	Unq.	8
none	412	2,474	184¼	30⅝	American Can	4*	Feb. 15	58	6.29	5.11	30⅝	30½	13*
182	3,182	1,668	199¼	2	Am. and Foreign Power	—	—	43	1.43	(d)3.09	Unq.	Unq.	nil
—	—	—	31¼	1¼	Am. and Foreign Power Warr	—	—	—	—	—	Unq.	2½	—
36	500	1,830	130¼	5¼	American Smelting	—	—	48	7.27	d20.9	6⅝	6½	nil
472	none	18,641	310¼	78½	Am. Tel. and Tel. 100	9	Jan. 15	144	11.30	8.93	78½	78½	12
1	53	3,077	134¾	45	Am. Tob. "B" 25	5*	Mar. 1	36	6.00	9.07	50¼	50	10*
180	200	1,751	199	12	Am. Waterworks	3	Feb. 1	31	2.80	2.07	12	11½	21
m.37	none	8,912	174¾	3¼	Anaconda Copper 50	—	—	58	4.97	(d)1.22	3⅜	3⅜	nil
m.4	none	203	514	30¼	Auburn Automobile	4*	Jan. 1	86	9.72	17.28	45¾	42⅞	9*
633	589	2,563	145¼	3¾	Baltimore and Ohio 100	—	—	137	11.36	0.56	5¼	5	nil
136	1,000	3,200	140¾	7¾	Bethlehem Steel	—	—	138	7.06	(d)2.12	8¼	8⅜	nil
3	none	4,406	100¼	21	Borden Company 25	2	Mar. 1	32	4.91	3.82	21⅝	21¾	9*
m.2	4	1,033	152	3¼	Borg Warner 10	1	Jan. 1	22	2.91 (3)	0.81	4	Unq.	25
457	1,293	13,400	73¼	7¾	Canadian Pacific Rly. 25	1.25	Jan. 1	45	3.11	0.81	8¼	8¼	13
none	102	195	515	17¾	Case, J. I. 100	—	—	194	14.53	0.63	21⅜	21⅜	nil
none	none	7,400	286	19¾	Chase Bank 20	3	Jan. 1	39	4.049 (3)	2.87	—	20¼	14
247	none	1,800	112¼	6	Chesapeake Corp	2	Jan. 1	50	3.15 (4)	3.60	6¼	6¼	32
46	none	4,415	140¾	5½	Chrysler	1	Mar. 30	22	4.61	0.35	6¼	6¼	15
512	2,485	32,471	68¼	1⅞	Cities Service Corp.	—	— 13	8	—	0.46	2¼	2¼	nil
161	986	11,684	140¼	4¼	Columbia Gas and Electric	1.00†	Feb. 15	18	2.08	1.42	6½	6¼	15
484	1,500	34,011	29¼	1⅛	Commonwealth and Southern	0.30	Semi-ann	6	0.67 (2)	0.40	2	2	15
—	—	—	2¾	⅛	Commonwealth and So. Warr	—	—	—	—	—	⅛	Unq.	—
312	2,098	11,476	182	33⅝	Consolidated Gas of N.Y.	4	Mar. 15	59	4.50	4.93	35⅝	35¾	11
18	none	4,739	63¾	4	Continental Oil	—	—	29	0.64	(d)2.54	4½	4½	nil
2	250	2,530	126¾	27½	Corn Products 25	3*	Jan. 20	34	4.41	3.54	29	29	10
1	1,140	6,315	30¼	¾	Curtiss Wright Com.	—	—	4	—	(d)1.01	1	⅞	nil
43	none	3,502	126¼	23	Drug. Inc.	4	Mar. 1	19	5.92	5.55	27	26¾	15
m.1	995	11,005	231	25⅜	Dupont de Nemours 20	3	Mar. 15	35	5.17	4.29	25¼	25½	12
none	62	2,261	264¾	38	Eastman Kodak	5	Jan. 1	58	9.42	5.78	40¾	41	12
none	1,355	15,040	189¼	5⅝	Electric Bond & Share	6% stock	Jan. 15	39	2.15 (2)	1.15	6¼	6½	6
31	769	3,307	103¼	3½	Electric Power and Light	—	—	21	2.55	2.70	2⅞	3½	—
47	none	2,426	119⅞	1½	Fox Film "A"	—	—	42	7.31 (4)	—	1⅜	Unq.	nil
2	4,293	28,845	100¼	8⅝	General Electric	0.40	Jan. 25	14	1.31	1.33	9⅝	10	4
none	none	5,257	77¾	20½	General Foods	3	Feb. 1	11	3.86	3.44	20⅜	20½	15
none	1,875	43,500	91¾	8¼	General Motors 10	1	Mar. 12	16	4.83	2.01	8¼	8¼	12
none	24	323	153	7½	General Railway Signal	3	Jan. 2	20	7.99	3.33	Unq.	Unq.	33
13	310	1,999	142¼	9½	Gillette Safety Razor	1	Mar. 31	1	5.41	1.24	12⅜	12⅜	8
none	none	1,798	143¼	8¾	Gold Dust	1.60	—	14	3.58 (3)	2.40	10	10⅜	15
59	15	1,167	109¼	2¼	Goodrich Rubber	—	Feb. 1	30	2.09	(d)8.01	2¼	2¼	nil
63	785	1,435	154¼	5¾	Goodyear Tire and Rubber	—	—	27	5.12	(d)2.83	6¾	6½	nil
18	none	636	102¾	4	International Cement	—	—	57	7.27	2.25	4⅜	4⅜	nil
m.04	99	1,050	103¼	½	Int. Combustion Eng.	—	Mar. 31	14	1.24 (4)	nil	Unq.	Unq.	nil
none	810	4,409	142	11½	Int. Harvester	1.80	—	59	5.11	d 0.99	11⅜	11⅜	11
7.4	276	14,584	72¾	3⅜	Int. Nickel	—	Jan. 15	10	0.85	0.22	4	4	—
188	none	6,402	149¾	2¾	Int. Tel. and Tel.	—	—	45	3.45	1.20	3¼	3¼	nil
none	75	750	242¾	10	Johns-Manville	—	—	31	5.81	0.08	11½	12	nil
m.3	none	9,393	104¼	5	Kennecott	—	—	29	3.67	0.41	5⅝	5½	nil
49	none	6,983	46¼	1/32	Kreuger and Toll 5.36	—	—	—	—	—	⅛	⅛	—
28	225	2,277	128	34½	Liggett and Myers "B" 25	4*	July 1	36	6.90	6.87	40	40½	10
32	145	1,464	95¾	13½	Loew's Inc.	3*	Mar. 1	38	6.71	7.43	15½	15½	19
34	113	1,909	46¾	9	Lorillard P. Co. (com.)	1.20	Mar. 30	23	1.27	2.12	10⅞	11⅛	11
none	50	204	108¾	1½	Ludlum Steel	—	—	—	1.62	(d)2.09	Unq.	Unq.	nil
none	205	4,565	156¾	3½	Montgomery Ward	—	—	23	2.51	(d)2.25	4½	4⅜	nil
none	none	5,500	585	24	National City Bank N. Y. 20	2	Feb. 2	41	10.58 (3)	—	—	25	7
none	none	4,857	62¾	2½	Nevada Cons. Copper	—	Jan. 1	16	2.03	(d)0.28	Unq.	Unq.	nil
869	none	4,993	256¼	9	New York Central 100	—	—	161	2.63	0.49	11½	10⅞	nil
316		6,659	186¾	14⅞	North American Co.	10%s	Jan. 1	32	4.47	3.29	17	17½	10
311	none	6,240	98¾	17½	Pacific Gas and Electric 25	2	Jan. 15	27	2.83	2.79	20¼	20½	10
none	none	15,000	32¼	1¾	Packard Motors	—	—	4	1.11	(d)0.19	1½	1½	nil
107	none	3,324	77½	1⅛	Paramount Publix	—	—	40	4.78	2.02	1¼	1¼	nil
606	none	13,162	170	7	Pennsylvania Railroad 50	—	—	89	7.01	1.48	8⅜	8¼	nil
none	none	9,090	30	1	Pennroad	—	—	16	—	1.34	1¼	1¼	nil
36	none	4,280	89¼	2¼	Phillips Petroleum	—	—	36	3.69	(d)1.34	3¼	3¼	nil
230	1,762	5,503	137¾	31½	Public Service of N. Y.	3.40	Mar. 31	30	3.15	3.82	33	33	10
5	1,199	13,161	114¾	2⅜	Radio Corp.	—	—	nil	1.32	(d)0.34	3⅜	3⅛	nil
58	103	2,444	51¼	1¼	Radio Keith Opheum	—	—	15	0.89	(d)2.44	2⅛	Unq.	nil
none	none	9,000	66	26¾	Reynolds Tobacco "B" 10	3	Jan. 1	16	3.04	3.64	27½	27½	11
none	none	4,994	197¼	10⅛	Sears Roebuck	—	—	38	5.03	2.47	10⅛	10⅛	nil
125	400	13,071	39⅞	2⅛	Shell Union	—	—	20	1.38	(d)2.15	2¾	2¾	nil
21	39	1,133	188	3	Simmons Company	—	—	23	2.57	(d)0.76	Unq.	Unq.	nil
m.98	none	31,914	48¼	5⅜	Socony Vaccuum Corp. 25	0.80	Mar. 15	18	—	(d)0.13	7	7⅛	11
138	2,552	2,808	93¾	16⅛	So. California Edison 25	2	Feb. 15	24	3.07	2.53	19¼	18¾	10
494	757	2,163	243¾	8½	Standard Gas & Electric	3.50	Jan 25	67	6.59	3.88	9¼	9¼	17
139	none	25,518	84¾	20⅜	Standard Oil of N. J. 25	1*	Mar. 15	48	3.47	—	23½	23⅜	4*
119	none	9,851	74¾	9⅝	Texas Corp. 25	1	Jan. 1	45	3.91	(d)1.01	9⅜	9⅜	10
none	none	2,540	85¼	12⅞	Texas Gulf Sulphur	2	Jan. 15	13	5.21	3.52	13¼	13½	14
none	none	24,847	67¾	2	Transamerica	—	—	6	0.82 (2)	—	2⅜	2⅜	nil
m.10	none	9,001	140	16	Union Carbide & Carbon	1.20	Jan. 1	30	3.40	2.00	16⅜	16¼	7
360	995	2,223	297⅞	34	Union Pacific Railway 100	6	Jan. 1	202	7.53	9.80	34½	33¾	17
02	240	2,084	162	6⅜	United Aircraft and Transport	—	—	14	2.88 (2	1.05	7⅜	7¾	nil
none	2,489	14,531	75¼	3⅜	United Corp.	0.40	Jan. 1	31	0.55 (2)	0.76	4⅛	4⅛	9
n.240	765	23,254	59⅞	10⅛	United Gas Improvement	1.20	Mar. 31	13	1.29 (4)	1.33	12¼	12¼	10
94	651	1,464	97¼	2	U. S. Rubber	—	—	16	nil	11.59	2	2	nil
m.99	3,603	8,701	261¾	23⅜	U. S. Steel 100	—	—	199	2.90	(d)1.40	23⅜	23½	nil
5	none	378	143¼	5¼	Vanadium	—	—	49	4.59	(d)3.00	6½	7	nil
101	103	3,801	80¼	⅜	Warner Bros. Pictures	—	—	20	1.84	(d)2.19	¾	¾	nil
none	80	2,586	292¾	18⅜	Westinghouse F. and M. 50	1	Jan. 31	81	7.22	(d)1.52	19¼	19½	5
3	none	9,750	103¾	23¼	Woolworth 10	2.40	Mar. 3	17	3.47	4.24	23¾	24	10

M. Entirely Subsidiary. *plus extras paid in current year. (e) estimated (d) deficit ‡Paid in 5% Stock

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TIMBER

There is a better feeling in the timber market and demand is more general. A small volume of business has been brought to book. Prices on the Pacific coast are weak.

Teak shows a revival of demand and some business has been negotiated. New arrivals of hardwoods are reported, but not a great deal of business has passed.

METALS

The metals market remains disappointing, with clearances poor. Owing to the overstocked position in bar ends, the Metal Dealers' Guild decided early in the month to postpone contracting for further lots for two months, in order to ease the situation in this material, and this decision is being followed. Rumours of very low prices being accepted for new business in steel bars are current in the market and this is causing nervousness. The metal importers have decided to press the foreign exchange banks to call for a margin of at least 20 per cent. on all credits open for contracts in waste metals, this action supporting other importers' associations.

PRODUCE

There is no change to report from last week, all produce markets being practically lifeless. A very small inquiry from Europe continues, but prices are still out of line.

ARTIFICAL SILK YARN

There is nothing new to report about the artificial silk yarn market and conditions have not improved. The demand for all artificial and mixture fabrics has fallen off to almost a point of extinction and weavers generally are shutting down.

SUGAR

The sugar market locally has continued steady at practically unchanged prices, but the volume of business transacted has again been unimportant. There is no feature of any interest to report.

TEA

Black Tea:—The Keemun market has been quiet for the greater part of the week, during which only 1,500 h/chests have been settled. A few fine teas have changed hands at up to Tls. 150 per picul, but the bulk of the business has been confined to medium to good medium at Tls. 85-Tls. 110. Low grades have been neglected.

Green Tea:—Chun Mees generally have been a quiet market, though there has been a fair demand for lower grades. About 5,500 h/c have been settled during the week.

Sowmees:—Demand continues strong and prices are high.

Gunpowders:—have been very quiet indeed and business has been mainly confined to a few local pack lines.

COMPANY MEETINGS

San Sing Properties

A statutory meeting of the San Sing Properties Limited was held on June 21 at 4 o'clock in the board room of Sassoon House, at which were present the following directors:—Capt. R. E. Sassoon (chairman), Messrs. Ellis Hayim, F. W. Sutterle, Snr., Li Ming, A. K. MacEwan and shareholders holding in all 700,004 shares.

The Chairman said: This meeting is called to comply with section 66 of the companies' ordinances. A copy of the statutory report, duly audited, has been in your hands for some time and gives all necessary information. Unless any shareholder has any comments to make or questions to ask (pause here) I propose that the report as presented be adopted.

Mr. Hayim seconded and the resolution was carried.

That concludes the business of the statutory meeting: I now call on the secretaries to read the notice convening the first annual general meeting." The Secretaries read the notice calling the meeting.

The Chairman: This gentlemen is purely a formal meeting called in order to have an ordinary general meeting in the year 1932. I have nothing to tell you but shall of course be glad to answer any questions to the best of my ability (pause). This meeting is now closed and I now call on the secretaries to read the notice calling an extraordinary general meeting. The secretaries read the notice.

The Chairman: Under the articles as originally drawn up it devolves on the general managers to sign all instruments to which the company's seal is affixed: this of course includes all share certificates and it is inconvenient for the general managers to undertake this duty which is usually, and can quite well, be undertaken by the secretaries I therefore propose: That Articles 18 and 135 of the articles of association of the company be altered by the substitution of the words "secretaries" in place of the words "general managers."

Mr. Hayim seconded and the resolution was carried unanimously.

To comply with the ordinances this resolution will be submitted for confirmation as a special resolution at an extraordinary general meeting which will be held here on July 7, 1932, at 4 p.m.

Sungala Rubber Estate

The annual general meeting and an extraordinary general meeting of the Sungala Rubber Estate, Ltd., were held on June 21 at the offices of the secretaries, Messrs. Cecil Holliday & Co., Ltd. (who today hand over the secretaryship to the Geddes Trading & Dairy Farm Co., Ltd.). Dr. C. T. Kew took the chair, supported by Messrs. A. H. Mancell, E. J. Cornfoot and Chang Nieh-yun (directors), Mr. F. O. Madar (secretary), and shareholders, the total number of shares represented being 82,746.

The chairman addressed the meeting as follows:

The accounts before you disclose a loss of Tls. 11,522.10 on the working for the year which in the conditions of the planting industry was inevitable. The loss is comparatively a small one and, had the full output of rubber as estimated been realised, would have been considerably less.

The average all-in cost of production inclusive of expenses at head office was 4.02d. per lb. as against 4.58d. for the previous year, which is perhaps satisfactory but a further reduction would have been shown had the full crop been harvested. As you will have seen from the report there was a shortage of 19.520 lbs. on the estimated output, attributed by the manager to abnormally wet weather and a change of tapping contractors, but these reasons have not been considered by the board to constitute a fully adequate explanation.

The average selling price for the year was 2.60d. per lb. as against 3.58d. for the previous year, due of course to the continued fall in the market prices of rubber ruling throughout the year.

The estate is in good order and the methods adopted to check the spread of root disease in the immature area, to which reference was made last year, have according to the report of the visiting agent, Mr. R. O. Jenkins, proved satisfactory.

The estimated crop for the current year is 200,000 lbs. but this does not at present require consideration. Owing to the continued fall in the price of rubber your directors, after obtaining comparative estimates for the costs of either continuing tapping or putting the estate on a care and maintenance basis, decided that it was in the best interests of the company to choose the latter. Instructions were therefore sent to the agents to this effect and tapping ceased on April 26. The estate is at the present time on a care and maintenance basis

Amongst the Shanghai economies effected the monthly remuneration of the company's secretaries and general managers was reduced at their voluntary suggestion from Tls. 250 to Tls. 150 as from August 1 last while from now onwards the Secretaries will be paid Tls. 50 per month so long as the estate is on a care and maintenance basis.

Your directors after taking further into consideration the financial position of the company have decided to forego their fees for the past year. The provision of Tls. 1,200 made in the report for these fees will therefore now be eliminated.

Mr. L. Soyka then spoke as follows:

I thank the directors for meeting the shareholders regarding their wishes and especially wish to mention in this respect the name of Mr. Hunter, who has graciously agreed to have Geddes and Co. act as agents for the company for a nominal fee of Tls. 600 per year against Tls. 2,883 we paid last year.

By this means Geddes and Co. are setting a good example to the other companies in the present crisis that the rubber industry is going through, and I trust that it will be followed by other agents who should take into consideration the interests of the shareholders before they consider those of the directors and the secretaries. No small reduction in such fees can ever meet the situation. What is required is a wholesale acknowledgment of the sacrifices that all must make. It seems to me that some agents still consider that they are entitled to the same remuneration as with rubber at, say, two shillings per lb. If all companies adopt the generous cut that Geddes and Co. so magnanimously have expressed their willingness to take, there can be nothing in the present rubber crisis to give shareholders sleepless nights.

I trust that the directors will do everything possible to observe the strictest economy so that the company can survive these difficult times, without any further necessity of approaching shareholders.

Mr. T. Hunter thanked Mr. Soyka for his remarks, but added that he didn't want this action to be construed by the public. He pointed out that Sungala was producing on only a small area and that it was at present on a care and maintenance basis.

There being no further remarks or questions, the following resolutions were put to the meeting and passed unanimously:

That the report of the directors and statement of accounts for the year ended March 31, 1932, together with the recommendations therein contained as presented to the shareholders and now before the meeting, be adopted and passed with the exception of the item of Tls. 1,200 for directors' fees, which the directors have since decided to forego.

That Mr. E. J. Cornfoot, the retiring director, be re-elected a director of the company.

That Mr. Tobias Hunter be elected a director of the company.

That Messrs. Mortimer, Reid & Slee be appointed auditors of the company for the ensuing year.

Eatraordinary Meeting

The annual meeting having concluded, the extraordinary meeting was commenced. The chairman spoke as follows:

The circular dated June 6 sent out to you with the annual report fully explains the purpose for which this meeting has been convened and there remains very little for me to add to it.

The circular referred to makes it clear to all that we have to-day either to pass and effectively carry out the resolution to increase the capital of the company, or create a sufficient debenture, or to obtain a sufficient advance on mortgage, or for the company to go into voluntary liquidation.

Your directors are of the opinion that in view of the fact that only about 40 per cent. of the planted area of the estate is in tapping to-day, whilst the remainder should come into bearing in 1934 and 1935 with the consequent result of reducing our cost of production by approximately half, a strong and sustained effort should be made to provide funds to carry on the estate for the next three years before the end of which period the company may reasonably be expected to have returned to a paying basis.

The proposed increase of the capital of the company by Tls. 30,000 would if fully realised provide sufficient funds to carry on the estate for three years on a care and maintenance basis. In the event of the resolution being passed to-day it is the intention of your directors only to issue 15,000 shares at the present time so as to provide for the next eighteen months. The remaining 15,000 shares would be issued afterwards at the discretion of the directors should further funds be then required and especially if prospects of the estate being worked on a remunerative basis, or at least without loss, be then become reasonably apparent.

It is proposed to offer the first half of the new issue to existing shareholders in the ratio of one new share for every ten shares at present held.

There is a subsidiary aspect of the matter which it will be as well to mention here.

The resolution before us sets forth that the proposed new shares are "To rank on the same basis in all respects as the existing shares of the company," but also sets forth that the shares are to be issued "On such terms and conditions as the directors shall at their discretion think best in the interests of the company."

This, taken in conjunction with Section 45 of the company's articles of association, would give the board power to issue the proposed new shares as preference shares bearing a specified rate of interest.

After the resolution has been passed we will invite you to express your opinion as to whether the shares should be issued as ordinary or preference.

Whichever plan you prefer I have no hesitation in recommending you to take up the quota of new shares for which you are entitled to apply. Our company is at the present time free from debt and by taking up your new shares you will be giving Sungala a working chance which as a sound concern it thoroughly deserves, and you will at the same time be advancing your own interests.

One or two minor questions having been answered satisfactorily, the following extraordinary resolution was put to the meeting and passed unanimously:

That the capital of the company be increased from Tls. 150,000 to Tls. 180,000 by the issue of 30,000 new shares of one tael each to rank on the same basis in all respects as the existing shares of the company. Such shares to be issued at the par value of one tael each and in such manner at such time or times and on such terms and conditions as the directors shall at their discretion think best in the interests of the Company.

Java Consolidated

Allegations that the company's money had been lent to a member of the Board of Directors and that the directors were trying to hide something and threats to bring the matter to the attention of H. M. Crown Advocate were made on June 24 at a meeting of the Java Consolidated Rubber & Coffee Estates, Ltd., held in the offices of the secretaries and general managers, Messrs. J. A. Wattie & Co., Ltd., 10 Canton Road.

When the chairman, Mr. C. F. Shackleton, had completed his speech and asked shareholders whether they wished to ask any questions, Mr. G. J. W. Morgan, chairman of the Shanghai Stock Exchange, said that he noticed from the directors' report and statement of accounts that over a lakh of taels of the company's assets had been lent to the "General Managers' Pool Account."

"Does this happen," he asked, "to be a loan to Sir Elly Kadoorie or, if not, to the Rubber Trust?"

The chairman: I do not think that is a proper question.

Mr. Morgan: I am a shareholder and this is an annual meeting of shareholders and I am perfectly and legitimately entitled to ask the question. I want no quibbling. Is this a loan to Sir Elly Kadoorie or to the Rubber Trust? I want an answer one way or the other. I have consulted legal opinion and I am informed that my question is quite legal and in order.

The chairman: The loan has been granted by the directors with ample security.

Mr. Morgan: That is no answer to my question. I insist on having a proper answer.

Mr. L. Soyka (another shareholder): What is the use of asking questions if we don't get answers?

The chairman: Mr. Soyka, order please. One question at a time.

Continuing, in answer to Mr. Morgan's insistance, the chairman said that the directors did not consider it advisable to publish the reply.

Mr. Morgan: We can request the press not to publish your reply but I, as a shareholder, insist on having a reply for my own information.

Mr. Soyka: I want everything to get into the papers.

Mr. Morgan: Surely you, as directors, know what you have done with the company's funds. I am entitled to an answer and, failing one, I shall be compelled to take this matter up with the Crown Advocate with the strongst pressure. I am not a small shareholder, but a big shareholder. If you've nothing to hide, why can't you give me an answer?

The chairman: I shall have to consult the directors before replying.

Mr. Morgan: Very well, go ahead and consult your directors now. They are all here. I shall be content to wait.

Mr. Soyka, addressing the company's legal adviser, Mr. J. E. Badeley, of Messrs. Hansons: Mr. Legal Adviser, are you advising the shareholders or the directors? Are you legal adviser to the company or to the directors only?

Mr. Badeley: I'm not answering you. I am advising the directors.

Mr. Morgan: According to the articles of association and legal advice, I am entitled to a reply.

The directors then withdraw and, upon resuming their places, the chairman said that the money had been lent to Messrs. J. A. Wattie & Co., who had lent it to Sir Elly Kadoorie.

Mr. Morgan: At what interest?

The chairman: The board considers that that is a matter which does not concern the public. The board considers the interest satisfactory and far in excess of what could be obtained elsewhere.

Mr. Morgan: I am not quite satisfied. Do you mean to keep us in the dark? I want a full explanation. I am a shareholder in the company and am entitled to receive an answer, failing which I shall have to refer the matter to the Crown Advocate. I understand the rate of interest is eight per cent.

Mr. Soyka: Mr. Burkill told me.....

Sir Elly Kadoorie: Where can you get eight per cent for your money now!

Mr. Morgan: Please address the chairman and not me.

On the advice of Mr. Badeley, a section of the company's ordinances was read which stated that the shareholders may apply to the Court and inspectors may be appointed to examine the books of the company.

Mr. Morgan: Does that mean that I have to go to Court and refer the matter to the Crown Advocate?

The reply was inaudible, whereupon Mr. Morgan went on to ask "What security have we on the loan?"

The chairman: The guarantee of Sir Elly Kadoorie & Sons?

Mr. Morgan: What are they, cheques or what?

The chairman: Cheques.

Mr. Morgan: If Sir Elly Kadoore dies, who will assume responsibility for repayment?

The chairman: Sir Elly Kadoorie & Sons.

Sir Elly Kadoorie: You can have the money back now, this second, if you want it.

Mr. Morgan: Again I ask you to address the chairman.

After answering further questions as to the financial standing of the company, the chairman said that the company at present had liquid assets of Tls. 116,000.

Mr. Morgan thanked the chairman and congratulated the company on its successful showing, after which Mr. Soyka rose and asked whether the directors of the company were or were not also directors of the Rubber Trust.

The chairman: I can't answer that. As chairman of this company, I am not in a position to say who are the directors of another company.

Mr. Soyka: What does the "General Managers' Pool Account" signify? Why was it created and for whose benefit? Is the money coming under this heading lent to Mr. Kadoorie or the Rubber Trust?

The chairman: I think that question is the same as Mr. Morgan's

(*Continued on page 502.*)

CHINA REALTY COMPANY

Fed. Inc., U. S. A.

SHANGHAI.

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Debentures ₮7,500,000.00

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Shanghai Stock Exchange Official Share Report with Closing Quotations, June 24, 1932

REPORT No. 25—1932 FOR WEEK ENDING JUNE 24, Compiled by J. P. Bisset & Co. on behalf of the Shanghai Stock Exchange

	Opening Cash Prices June 24: Buyers	Sellers	Nom.	Last Week, Business Done on Friday Morning: Cash	June	July	This Week—Closing Friday Noon, Business Done on Friday Morning: Cash	June	July	Closing Auction Quotations, July Settlement: Buyers	Sellers	Total No. of Shares Done for: Last Week	This Week	Business Recorded During Week Closing To-day, Friday Noon, Highest: Cash	June	July	Lowest: Cash	June	July	Business Done Year 1931: Highest	Lowest	Business Done Year 1932: Highest	Lowest	STOCK
																								BANKS, FINANCE COMPANIES.
M$			1,560				1,560					8	9	1,560			1,560			2,300 Feb	1,525 Dec	1,560 Jun	1,560 Jun	Hongkong & Shanghai Banking Corpn.
M$			30																	182.50 Ag	126 Feb			A. O. Finance Corp. Fed., Inc. U.S.A. "A"
M$		27																		37.50 Sep	26 Mc	29 Jan	24.25 May	do. "B"
T	7.20									7.50		1,000								16.42½ Ap	9.70 Nov	10.30 Jan	8 Ap.	Inter. Invest Trust Co., of China Ltd.
T	5.45	5.60						5.50	5.60	5.50		5,500	11,000		5.70	5.70		5.50	5.60	7.85 Oct	5 Apl	7.07½ Jan	5.50 Jun	Ch. Finance Corp., Fed. Inc. U.S.A.
T			4.60										450	4.65			4.65			5.02½ Oct	4.60 Nov	4.75 May	4.60 Jan	do. (Pref) 8%
T			2.80																	7.55 Feb	3.75 Ag	3.90 Jan	2.50 Ap	Shanghai Loan & Investment Co. Ltd.
T			6.45									100	300	6.10			6			11.80 Oct	6.30 Dec	7.50 Jan	5.60 Ap	Yangtsze Finance Co., Ltd.
M$			24																	23.50 Nov	23.50 Nov			Union Mobiliere
																								INSURANCE.
H$			435										100	435			435			615 Mc	560 Sept.	435 June	435 June	Union In. Society of Canton, Ltd.
F			85																					Assurance Franco-Asiatique
T			65																	75 July	75 July	80 Jan	80 Jan	Asia Life Insurance Co., Ltd.
T			27.25																	46.50 Oct	23.50 Mc	30 Jan	24 Jan	American-Asiatic Underwriters, Fed. Inc. U.S.A. (ord)
T			100																	105 Oct	102 Jan	99 Jan	99 Jan	do. (Cum. Pref) 8%
T			100																	100 Feb	95 Nov	92 Jan	92 Jan	do. (Cum. Pref) 7%
T	3.80				4.12½			3.90	3.95	3.90		18,500	10,000	4.02½	4.07½	4.10	4.02½	3.90	3.95	7.32 Oct	4.60 Dec	4.92½ Jan	3.90 Jun	International Assurance Co., Ltd.
																								LANDS.
T	24.05							24.20	24.10	24.10		5,200	8,100		25.70	25.80		24.20	24.10	43.65 Oct	28.90 Dec	31.50 Jan	23.30 Ap	Shanghai Land Investment Co., Ltd.
T			242.50																	295 Mc	228 Jan			Anglo-French Land Invest. Co., Ltd.
T			200																					Fonciere et Immobiliere de Chine
T			7																					do. "Rights"
T			2.75																					West End Estates, Ltd.
M$			135										4	125			125			215 July	145 Dec	150 Jan	125 Jun	Asia Realty Co., Fed. Inc., U.S.A. "A" (ord)
M$	26.25									26.75			2,130	26		26.75	26		26.75	47 Jan	27.50 Nov	31 Jan	25 Ap	do. "B"
M$			105																	105 Ap	105 Apr	100 Jan	100 Jan	do. (Pref "A") 8%
M$			90																	89 July	89 July	100 Jan	100 Jan	do. (Pref "B") 6%
T	10.40		11.55							10.40		2,500	1,850	11	11		11	10.85		18.35 Feb	11.60 Nov	13.55 Jan	10.80 Jun	China Realty Co., Fed. Inc. U.S.A.
T			9									500								17.85 Oct	12 Nov	13.10 Jan	10.85 Ap	Cathay Land Co., Ltd.
T																								City Realty Co., Ltd.
M$			107																	111 Sep	109.50 Feb			Realty Invest. Co., Fed. Inc. U.S.A. "A"
M$	8.75									9.20		630	100			9.10			9.10	11.35 Jan	10.95 Feb	9.10 June	9.10 June	do. "B"
H$		4.75																						do. 7½% cum. Pref. "A"
T			11.55																	21.75 Sep	12.50 Dec	13.70 Jan	10 Ap	Metropolitan Land & Bldg. Co., Ltd. "A"
T		10.75						11.40					1,500		10.40			10.40				11.40 May	9.80 Ap	do. "B"
T.T.			138																					Tientsin Land Investment Co., Ltd.
T			10																					San Sing Properties, Ltd.
																								DOCKS WHARVES, TRANSPORT.
T			80.50									150								116 Jan	90 Dec	91 Jan	80.50 Jun	S'hai Dock & Engineering Co. Ltd.
T			14																	14.25 Ap	11.75 Feb	14.75 Ap	13.75 Ap	G. E. Marden & Co., Ltd.
T		6	5																	6.35 Sep	4.75 Feb	5.20 Jan	5.20 Jan	Ch. Transport & Storage Co., Inc., Shanghai
T												300								6.80 Jan	5.75 Nov	6.60 Jan	5.95 Ap	New Eng. & Shipbuilding Works, Ltd. {ordinary
T			5.20																	6.10 Feb	5.40 Dec	5.50 Jan	5 Ap	do. {8% cum. pref.
T			219									102								305 Ap	215 Nov	230 Ap	215 Jan	Shanghai & Hongkew Wharf Co., Ltd.
T			63																	85.50 Jn	63.50 Dec	63 May	60 Ap	Shanghai Tug & Lighter Co., Ltd. (ordinary
T			50																	52.50 Jn	50 Nov	51 Ap	51 Ap	do. (7% pref.
																								UTILITIES.
T			10.25									100	54							19 Feb	16.25 Dec	14.80 Jan	13 Ap	China General Omnibus Co., Ltd.
T			83.50									130	70		83.50			83.50		84 Nov	79 Ag	83.50 Jun	80 Ap	Shanghai Gas Co., Ltd.
T			92	92			92					20	402	92			92			100 Sep	95.25 Nov	95 Jan	91.25 Ap	S'hai Power Co. Tls. 6 Cum. Pref. stock
T			54.25									1,200	570	54.25			53.50			66 Mc	51 Feb	58 Jan	50 Ap	Shanghai Telephone Company
T	28.85	29.30	29	29.80											29			28.90		36.70 Dec	27.70 Jn	34.50 Jan	28.90 Jun	S'hai Electric Construction Co., Ltd. "Bear"
T																				35 Dec	27.30 F	33.60 Jan	32.50 Jan	do. "Reg."
T			272.50	272.50								46	50	272.50			272.50			327.50 Sep	295 Oct	277.50 Jun	235 Jan	S'hai Waterworks Co., Ltd. "A"
T			10.70																					do. "B"
T			10.70									100								15 Sep	10.50 Oct	10.75 Jun	9 Jan	do. "C"
T			10.20	10.20								700	560	10.20			10.20			15 Jn	10 Nov	10.30 May	10.20 Jun	do. 7% cum. pref.
																								COTTONS, ETC.
T	13.50	13.65			13.90	14				13.60	13.70	12,650	42,600	13.90	13.85	14	13.80	13.60	13.60	17.00 Oct	12.85 My	16.80 Jan	13.10 Ap	Ewo Cotton Mills, Ltd. {ordinary
T			106																	122 Mc	105 Ap	120 Jan	114 Jan	do. {8% cum. pref.
T			72																	111 Ap	82 Dec	82.50 Jan	74 June	Shanghai Cotton Mfg. Co., Ltd.
T			10.25										1,500		10.40			10.40		13.80 Oct	9.80 Jn	11.30 Jan	10.20 Apr	Zoong Sing Cotton Mills, Ltd.
																								INDUSTRIAL.
T			13.75																	30 Mc	13 Dec	16.80 Jan	14.10 Jan	Chinese Eng. & Mining Co., Ltd. "Bearer"
T	2.07½																			2.70 Dec	1.56 Mc	2.25 Apr	2 Apr	S'hai Exploration & Develop't Co., Ltd.
T			7																	8.10 Nov	4.75 Jn	7.50 Jan	7 Jan	General Forge Products (1929), Ltd.
T			12																	21 Sep	16.25 Jn			China Aerocrete Co., Ltd.
T			4																	5.35 Mc	4.60 Ag	3.50 Apr	3.25 Apr	Millington, Ltd.
T			9.50																	10.20 Sep	10.20 Sep			S'hai Vacuum Clng. & S. Co., Ltd.
T			8																	11 Sep	9.40 Ap	10.15 Jan	8.25 May	Auto Palace Co., Ltd.
T		10																		13 Mc	10 Ap			Mark L. Moody, Fed. Inc., U.S.A.
T		10																		10.25 Ap	10 Mc	10 Jan	10 Jan	Office Appliance Co., Ltd.
T			14.50	14.50								500								15.75 Oct	13 Feb	14.50 Jun	14.50 Jun	Caldbeck, Macgregor & Co., Ltd. (ord.)
T			10.50									200	200	10.50			10.50			11.60 Oct	10.75 Ap	10.50 Jun	10.50 Jun	do. 8% cum. pref.
H$			12.25																	18 My	13.90 Mc			Hongkong & Shanghai Hotels, Ltd.
T			2.25									3,000	1,000	2.25			2.25			2 Ag	1.50 Nov	2.30 May	1.85 Apr	S'hai Waterworks Fittings Co., Ltd.
T			50	50								130								55 Dec	28 Jn	57 Jan	50 June	Culty Dairy Co., Ltd.
M$	15.25		15	15.25								300										15.25 Jun	15.25 Jun	Bakerite Co., Fed. Inc. U.S.A. "B"
M$			30																	36 Sep	26 My	30 Jan	27.50 Apr	Ball & Holtz, Ltd.
M$			70																	73 Ap	55 Jn			Lane, Crawford & Co., Ltd.
M$			16.50																					Kelly & Walsh, Ltd.
T																								Union Brewery, Ltd.
																								GREYHOUNDS.
M$		6.50																		13.35 Jn	5 Dec	7 Jan	4 Ap	G'hound Racing A'n. (China) Ltd. (Luna Park) {ord.
M$			14																	37 Ag	10.25 Ap	14 Apr	14 Apr	do. {found.
M$			37																	41 Ag	15 Jn	42 May	42 May	Champ de Courses Francais (French Race Course) F.
M$			39																	42 Ag	15 Jn	45 May	36 Jan	do. non-F.
M$			72					74					10		74			74		100 Sep	18 Mc	80 Ap	74 June	do. Found.
																								PLANTATIONS.
T	1.50											400	500	1.50			1.50			5.50 My	5.25 Ap	2.85 Jan	1.50 June	Alma Estates, Ltd.
T	0.70												14,500	0.65			0.65			3 Jn	3 Jn	1 Jan	0.65 June	Anglo-Dutch Java Plantations, Ltd.
T	2																			5.50 Mc	2.90 Sep	3.50 Jan	2 June	Anglo-Java Estates, Ltd.
T			0.40																	2.10 Mc	1.01 Dec			Ayer Tawah Rub. Planatation Co., Ltd
T			0.06										3,000	0.08			0.08			0.50 Mc	0.50 Mc	0.08 June	0.08 June	Batu Anam (Johore) Rub. Ests., Ltd.
T	0.02			0.02								3,000	1,000	0.02			0.02			0.77½ Mc	0.12½ Sep	0.02 Jun	0.02 Jun	Bukit Tob Alang Rubber Ests., Ltd.
T			0.10																	0.65 Ap	0.40 Feb			Bute Plantations (1913), Ltd.
T			0.10									2,000	12,500	0.10			0.10			0.90 Feb	0.40 Oct	0.10 Jun	0.10 Jun	Chemor United Rubber Co., Ltd.
T	0.60																							Chempedak Rub. & G'bier Est. Ltd.
T	0.05												1,000	0.10			0.10			0.15 Oct	0.15 Oct	0.10 June	0.10 June	Cheng Rubber Estates, Ltd.
T	0.37½																			1.70 Mc	1.10 Jr	0.37½ Jun	0.37½ Jun	Consolidated Rub. Estates (1914) Ltd.
T	0.30																			1.25 Mc	1 My			Dominion Rubber Co., Ltd.
T			3																					Gula-Kalumpong R. E. Ltd.
T			0.25										12,000		0.30			0.30		1.25 Mc	[illegible]	0.35 Apr	0.25 June	Java-Cons. Rub. & Coffee Est. Ltd.
T			0.10										300	0.25			0.25			1 Ap	[illegible]	0.25 June	0.25 June	Kali Glidik Coffee Estates, Ltd.
T																				[illegible]	[illegible]	[illegible]	[illegible]	Kapayang Rubber Estates, Co., Ltd.
T													15,000	[illegible]			0.12			[illegible]	[illegible]	[illegible]	[illegible]	Kota Bahroe Rub. Est. (1921), Ltd.
T													2,000	0.25			0.25			1.50 Mc	[illegible]	0.55 Jan	0.25 June	Kroewoek Java Plantations, Ltd.
T			[illegible]										1,000	1.50			1.50			7 Mc	[illegible]	3.25 Jan	1.50 June	Langkat

STOCK	Authorized Capital (No. of Shares)	Issued Capital (No. of Shares)	Paid up Value	Fin. year ends	Last Dividend, etc.	Paid or due
BANKS, FINANCE COMPANIES.						
Hongkong & Shanghai Banking Corpn.	400,000	160,000	H$125	Dec.	Final £3 (Mkg. £6, 1931) Less I/T	29-2-32
A. O. Finance Corp. Fed., Inc. U.S.A. "A"	40,000	24,358	M$100	Dec.	Final 7% (Mkg. 12%, 1931)	8-2-32
do. "B"	100,000	93,817	M$20	Dec.	Final 7% (Mkg. 12%, 1931)	8-2-32
Inter. Invest Trust Co., of China Ltd.	2,000,000	350,000	T10	Mar.	Dividend T0.60, 1932	20-5-32
Ch. Finance Corp., Fed. Inc. U.S.A.	400,000	400,000	T5	Dec.	{Special Tax Divid. T0.27½, 1931 {4th Quarterly Dividend Tls. 0.15	14-3-32 31-12-31
do. (Pref) 8%	600,000	201,715	T5	Dec.	2nd Quarterly Dividend T0.10	Pending
Shanghai Loan & Investment Co. Ltd.	250,000	250,000	T5	Dec.	Final T0.35 (mkg. T0.60, 1930)	6-2-31
Yangtsze Finance Co., Ltd.	2,000,000	517,500	T10	Mar.	Dividend T0.25, 1932	20-5-32
Union Mobiliere	50,000	25,000	M$20	Dec.	10% For 1931	10-6-32
INSURANCE.						
Union In. Society of Canton, Ltd.	200,000	135,000	£4	Dec.	Final 16s (Mkg. 40s) a/c 1930. Int. 24s a/c 1931	27-5-32
Assurance Franco-Asiatique	70,000	70,000	F100	Dec.	None Floated 1918	
Asia Life Insurance Co., Ltd.	100,000	30,000	G$5	Dec.	Interim G$0.50 1931	25-9-31
American-Asiatic Underwriters, Fed. Inc. U.S.A. (ord)	75,000	75,000	T10	Dec	Final Divid. T1 (Mkg. T2, 1931)	25-4-32
do. (Cum. Pref) 8%	5,000	5,000	T100	Dec.	4% for half year Ending June, 1932	Pending
do. (Cum. Pref) 7%	7,500	7,500	T100	Dec.	3½% for half year Ending Mar. 1932	31-3-32
International Assurance Co., Ltd.	2,000,000	600,000	T5			
LANDS.						
Shanghai Land Investment Co., Ltd.	1,404,000	1,404,000	T5	Dec.	Final Divid. T0.30, Bonus T0.30 and Special Bonus T0.75 (Mkg. T1.65, 1931)	7-4-32
Anglo-French Land Invest. Co., Ltd.	25,000	19,335	T100	Feb.	Final T6 and Bonus T2 (Mkg. T12 a/c 28/2/32)	5/4/32
Fonciere et Immobiliere de Chine	10 000	10 000	T100	Dec.	Final 5% (Mkg. 12% 1931)	9-2-32
do. "Rights"						
West End Estates, Ltd.	500,000	191 450	T10	Dec.	7%, 1926	23/4/27
Asia Realty Co., Fed. Inc., U.S.A. "A" (ord)	20,000	15,904	M$100	Dec.	Final 7% & Bonus $3 (Mkg. $15, 1931)	5-2-32
do. "B"	150,000	53,811	M$20	Dec.	Final 7% & Bonus $0.60 (Mkg. $3, 1931)	5-2-32
do. (Pref "A") 8%	10,000	10,000	M$100	Dec	4% for half year 1931	31-12-31
do. (Pref "B") 6%	50,000	7,500	M$100	Dec.	6% for year 1931	31-12-31
China Realty Co., Fed. Inc. U.S.A.	800,000	500,000	T10	Dec.	Final T0.50 (Mkg. T1.50, 1931)	29-2-32
Cathay Land Co., Ltd.	500,000	480,374	T10	Dec.	Final Divid. 5% (Mkg. 9%, 1931)	25-4-32
City Realty Co., Ltd.	100,000	500,00	T10			
Realty Invest. Co., Fed. Inc. U.S.A. "A"	5,000	2,650	M$100	Dec.	Final 5% (Mkg. 10% 1931)	30-1-32
do. "B"	50,000	49,014	M$10	Dec.	Final 5% (Mkg. 10% 1931)	30-1-32
do. 7½% cum. Pref. "A"	200,000	108,620	M$5	Dec.	1st Quarterly Dividend 7½%	1-4-32
Metropolitan Land & Bldg. Co., Ltd. "A"	500,000	39,800	T10	Sept.	Divid. T1, year to 30-9-31 (on 100,000 shares)	23-10-31
do. "B"		155,018	T10	Sept		
Tientsin Land Investment Co., Ltd.	40,000	21,427	T100	Dec.	Final 3% and Bonus 1% (mkg 13%, 1929)	21-2-30
San Sing Properties, Ltd.	2,000,000		T10		Incorporated the 15th April 1932	
DOCKS WHARVES, TRANSPORT.						
S'hai Dock & Engineering Co. Ltd.	55,700	55,200	T50	Apr.	Divid. T6, for year to 30/6/31	28-7-31
G. E. Marden & Co., Ltd.	150,000	75,000	T10	Dec	Divid. T1, 1931	6-4-32
Ch. Transport & Storage Co., Inc., Shanghai	200,000	100,000	T5	Dec		
New Eng. & Shipbuilding Works, Ltd. {ordinary	500,000	300,000	T5	Dec.	Ord. T0.25, 1931	7-3-32
do. {8% cum. pref.	500,000	300,000	T5	Dec.	Pref. T0.40, 1931	7-3-32
Shanghai & Hongkew Wharf Co., Ltd.	40,000	40,000	T100	Dec.	Final Divid. T11 (Mkg. T14 1931)	12-5-32
Shanghai Tug & Lighter Co., Ltd. (ordinary	40,000	26,000	T25	Dec.	Ord. T2.50, 1931	7-3-32
do. (7% pref.	10 000	10,000	T50		Pref. T3.50, 1931	7-3-32
UTILITIES.						
China General Omnibus Co., Ltd.	100,000	100,000	T10	Dec	Divid. T0.90, 1930	25-2-31
Shanghai Gas Co., Ltd.	50,000	40,000	T50	Dec.	Final T2. (Mkg. T4, 1931)	21-4-32
S'hai Power Co. Tls. 6 Cum. Pref. stock	230,000	220,000	T100	Dec.	2nd Quarterly Dividend T1.50, 1932	Pending
Shanghai Telephone Company	400,000	115,142	T50	Dec.		
S'hai Electric Construction Co., Ltd. "Bear"	700,000	600,000	£1	Dec.	FinalDiv. 7½%(mkg. 12½%1931) FreeI/T, couponNo.43	26-5-32
do. "Reg."						
S'hai Waterworks Co., Ltd. "A"	40,236	40,236	£20	Dec.	Final 27/8d. @1/11 (Mkg. 40/3.2d. 1931) Coupon No.36	31-3-32
do. "B"	359 280	{108,505	£1	Dec.	Final 11½d. @ 1/11 (Mkg. 1/7.3d. 1931) Coupon No. 9	31-3-32
do. "C"		{250,000	£1	Dec.	Final 11.7d. @ 1/11 (Mkg. 1/7.2d, 1931) Coupon No. 5	31/3/32
do. 7% cum. pref.	100,000	100,000	T10	Dec.		
COTTONS, ETC.						
Ewo Cotton Mills, Ltd. {ordinary	1,000,000	1,000,000	T5	Dec.	Divid. T1.80, 1931	29-4-32
do. {8% cum. pref.	10,000	9,000	T100	Dec.	Divid. T8, 1931	29-4-32
Shanghai Cotton Mfg. Co., Ltd.	120,000	120,000	T50	Oct.	T2.50 for ½ year to 30/4/32	30-5-32
Zoong Sing Cotton Mills, Ltd.	200,000	150,000	T10	June	Divid. T0.80, 1930-31	7-10-31
INDUSTRIAL.						
Chinese Eng. & Mining Co., Ltd. "Bearer"	2,000,000	1,960,000	£1	June	Int. Divid. 6d. free of I/T a/c 1931-32 Coupon No. 40	10-5-32
S'hai Exploration & Develop't Co., Ltd.	600,000	597,251	T5	Dec.		
General Forge Products (1929), Ltd.	200,000	114,978	T5	Aug.	Incorporated, 1929	
China Aerocrete Co., Ltd.	200,000	20,000	T10	Dec.	Divid. T1. for 1930	8-4-31
Millington, Ltd.	300,000	110,000	T5	Dec.		
S'hai Vacuum Clng. & S. Co., Ltd.	35,000	33,000	T10	Dec.	Final T0.50. (Mkg. 10%, 1931)	6-2-32
Auto Palace Co., Ltd.	150,000	115,000	T10	Dec.	Divid. T0.60, 1931	11-5-32
Mark L. Moody, Fed. Inc., U.S.A.	100,000	30,000	T10	Dec.	Divid. 7½%, 1931	15-3-32
Office Appliance Co., Ltd.	80,000	60,000	T10	Dec.	Final Divid. 4% (Mkg. 8% 1931)	8-4-32
Caldbeck, Macgregor & Co., Ltd. (ord.)	200,000	140,000	T10	Dec.	Divid. T1, for 1931	29-4-32
do. 8% cum. pref.	100,000	80,000	T10	Dec.	Divid. T0.80 for 1931	29-4-32
Hongkong & Shanghai Hotels, Ltd.	1,000,000	1,000,000	H$10	Dec.	Dividend T0.60 on Old; T0.30 on New, 1931	18-3-32
S'hai Waterworks Fittings Co., Ltd.	500,000	210,187	T1	Dec.	Dividend 10% and Bonus 5%, 1931	18-3-32
Culty Dairy Co., Ltd.	20,000	20,000	T10	June	T1 1930/31 and Bonus T0.50 (on 10,000 shares)	15/10/31
Bakerite Co., Fed. Inc. U.S.A. "B"	50,000	17,945	M$10	Dec.		
Ball & Holtz, Ltd.	25,000	26,312	M$20	Feb.	M$0.60, 1927	31-5-27
Lane, Crawford & Co., Ltd.	2,500	2,500	M$100	Feb.	Bonus $6, 1932	Pending
Kelly & Walsh, Ltd.	75,000	45,000	M$10	Feb.	Final $1 & Bonus $0.50 (Mkg. $2, 1931-32)	16-6-32
Union Brewery, Ltd.	500,000	160,000	T10	Dec.	T1, 1931	5-5-32
GREYHOUNDS.						
G'hound Racing A'n. (China) Ltd. (Luna Park) {ord.	44,000	44,000	M$10	Oct.	M$3.10, 1929-30	30-12-30
do. {found.	6,000	6,000	M$10	Oct.	M$16.40, 1929-30	30-12-30
Champ de Courses Francais (French Race Course) F.	30,000	30,000	M$20	Dec.	}Divid. $4.50, 1931	22-4-32
do. non-F.				Dec.	}	
do. Found.		6,490	Free	Dec.	Divid. $4.62, 1931	22-4-32
PLANTATIONS.						
Alma Estates, Ltd.	70,000	70,000	£1 (T9)	Sept.	Final T0.50 (mkg. T0.75, 1928-29)	18-12-29
Anglo-Dutch Java Plantations, Ltd.	400,000	350,000	10s. (T4½)	Dec.	Divid. T0.15, 1929	14-9-29
Anglo-Java Estates, Ltd.	500,000	496,000	10s.	Dec.	Final T0.20 (mkg. T0.60, 1929)	7-3-30
Ayer Tawah Rub. Planatation Co., Ltd	500,000	335,499	T1	Sept.	Final T0.30 (mkg. T0.40, 1928-29)	26-12-29
Batu Anam (Johore) Rub. Ests., Ltd.	400,000	400,000	T1	Dec.	Final T0.15 (mkg. T0.25, 1926)	11-4-27
Bukit Tob Alang Rubber Ests., Ltd.	500,000	500,000	T1	Mar.	Final T0.20 (mkg. T0.30, 1929-27)	7-7-27
Bute Plantations (1913), Ltd.	500,000	200,000	T1	Dec.	Divid. T0.05, 1929	21-3-30
Chemor United Rubber Co., Ltd.	400,000	400,000	2s. (T0.90)	Dec.	Final Divid. T0.15 (mkg. T0.20, 1929)	21-3-30
Chempedak Rub. & G'bier Est. Ltd.	35,000	27,305	£1	Oct.	Final T0.75 (mkg. T1.25, 1926-27)	16-1-28
Cheng Rubber Estates, Ltd.	675,000	274,875	T1	June	Divid. T0.10, 1928-29	18-9-29
Consolidated Rub. Estates (1914) Ltd.	500,000	375,000	2s. (T0.75)	Dec.	Final T0.20 (mkg. T0.30, 1929)	17-4-30
Dominion Rubber Co., Ltd.	350,000	166,745	T1	Dec.	Final T0.15 (mkg. T0.25, 1929)	27-3-30
Gula-Kalumpong R. E. Ltd.	750,000	665,000	£1	Dec.	Divid. 1/6d. 1929 less I/T 4/-in. £ (Coupon No. 30)	9-4-30
Java-Cons. Rub. & Coffee Est. Ltd.	850,000	750,000	2/-	Dec.	Divid. T0.10, 1929	4-9-29
Kali Glidik Coffee Estates, Ltd.	100,000	100,000	T5	Dec.	T1, 1926	19-4-27
Kapayang Rubber Estates, Co., Ltd.	15,000	14,800	T10	Dec.	Divid. T1½, 1929	16-4-30
Kota Bahroe Rub. Est. (1921), Ltd.	390,000	390,000	T0.75	June	Divid. T0.10, 1928-29	
Kroewoek Java Plantations, Ltd.	700,000	550,000	2/- (T0.86)	Dec.	Final T0.10 (mkg. T0.20, 1929)	27-9-20
Langkat	250,000	250,000	Gs.10	Oct.	Divid. T0.50, 1928-29	13-3-30
					Divid. T0.06, 1928-29	

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T	0.37½	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	1.70 Mc	1.10 Jr	0.37½ Jun	0.37½ Jun	Consolidated Rub. Estates (1914) Ltd.	500,000	375,000	2s. (T0.75)	Dec.	[illegible]	17-4-30
T	0.30	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	1.25 Mc	1 My	....	....	Dominion Rubber Co., Ltd.	350,000	166,745	T1	Dec.	Final T0.15 (mkg. T0.25, 1929)	27-3-30
T	[illegible]	....	3	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	[illegible]	....	....	Gula-Kalumpong R. E. Ltd.	750,000	665,000	£1	Dec.	Divid. 1/6d. 1929 less I/T 4/- in £ (Coupon No. 30)	9-4-30
T	[illegible]	....	....	....	....	....	....	....	....	....	....	....	12,000	....	0.30	....	....	0.30	....	1.25 Mc	[illegible]	0.35 Apr	0.25 June	Java-Cons. Rub. & Coffee Est. Ltd.	850,000	750,000	2/-	Dec.	Divid. T0.10, 1929	4-9-29
T	[illegible]	....	0.25	....	....	....	....	....	....	....	....	....	300	0.25	....	....	0.25	....	....	1 Ap	[illegible]	0.25 June	0.25 June	Kali Glidik Coffee Estates, Ltd.	100,000	100,000	T5	Dec.	T1, 1926	19-4-27
T	[illegible]	....	0.10	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	[illegible]	[illegible]	....	....	Kapayang Rubber Estates, Co., Ltd.	15,000	14,800	T10	Dec.	Divid. T1¼, 1929	16-4-30
T	[illegible]	....	....	....	....	....	....	....	....	....	....	....	15,000	[illegible]	....	....	0.12	....	....	[illegible]	[illegible] Nov	[illegible]	[illegible]	Kota Bahroe Rub. Est. (1921), Ltd.	390,000	390,000	T0.75	June	Divid. T0.10, 1928-29	....
T	[illegible]	....	....	....	....	....	....	....	....	....	....	....	2,000	0.25	....	....	0.25	....	....	1.50 Mc	[illegible] Dec	0.55 Jan	0.25 June	Kroewoek Java Plantations, Ltd.	700,000	550,000	2/- (T0.86)	Dec.	Final T0.10 (mkg. T0.20, 1929)	27-9-20
T	....	....	1.25	....	....	....	....	....	....	....	....	....	1,000	1.50	....	....	1.50	....	....	7 Mc	[illegible] Oct	3.25 Jan	1.50 June	Langkat	250,000	250,000	Gs.10	Oct.	Divid. T0.50, 1928-29	13-3-30
T	0.05	....	....	....	....	....	....	....	....	....	....	....	3,000	0.06	....	....	0.05	....	....	0.45 Feb	[illegible]	0.06 June	0.03 May	Padang Rubber Co., Ltd.	500,000	500,000	T1	Apr.	Divid. T0.06, 1928-29	3-5-30
T	....	....	0.20	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	0.60 Sr	0.50 Jr	....	....	Pengkalan Durian Estate (1921), Ltd.	150,000	150,000	T1	Mar.	Divid. T0.10, 1928-29	19-7-29
T	....	....	0.25	....	....	....	....	....	....	....	....	....	1,000	0.10	....	....	0.10	....	....	....	....	0.10 June	0.10 June	Permata Rubber Estate, Ltd.	50,000	45,317	T5	Oct.	Divid. 5% (T0.25), 1928-29	15-7-28
T	....	....	0.10	....	....	....	....	....	....	....	....	....	1,000	0.10	....	....	0.10	....	....	0.55 Feb	0.55 F	0.10 June	0.10 June	Repah Rubber & Tapioca Ests., Ltd.	500,000	450,000	T1	Dec.	Final T0.25 (mkg. T0.10, 1929)	14-2-30
T	0.25	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	0.35 Ag	0.35 Ag	....	....	Rubber Trust, Ltd.	25,000,000	272,700	T1	..		7-4-30
T	....	....	0.10	....	....	....	....	....	....	....	....	....	3,500	0.12	....	....	0.10	....	....	....	....	0.12 June	0.10 June	Samagaga Rubber Co., Ltd.	600,000	411,000	T1	Sept.	Divid. T0.08, 1928-29	17-12-29
T	0.08	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	0.08 June	0.08 June	Semambu Rubber Ests., Ltd.	300,000	300,000	T1	Dec.	Divid. T0.05, 1928	18-4-29
T	0.30	....	....	....	....	....	....	....	....	....	....	900	11,500	0.35	....	....	0.30	....	....	1.30 Feb	1.05 Ap	0.35 Jun	0.25 June	Senawang Rub. Ests., Co. (1921), Ltd. ord.	300,000	285,000	T1	Jan.	Final T0.20 (mkg. T0.30, 1929-30)	14-4-30
T	....	....	0.70	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	1.15 Feb	0.80 Dec	....	....	Shanghai Kedah Plantations, Ltd.	400,000	300,000	T1	Sept.	Final T0.15 (mkg. T0.20, 1928-29)	20-12-29
T	....	....	0.10	....	....	....	....	....	....	....	....	....	1,000	0.10	....	....	0.10	....	....	0.25 My	0.10 Dec	0.10 June	0.10 June	S'hai Kelantan Rub. Est. (1925), Ltd.	1,050,000	776,692	T0.10	Dec.	Divid. T0.05, 1927	8-10-28
T	0.08	....	....	....	....	....	....	....	....	....	....	....	9,000	0.08	....	....	0.08	....	....	....	....	0.08 June	0.08 June	S'hai Klebang Rubber Estate, Ltd.	315,000	313,613	T1	Dec.	Final T0.05 (mkg. T0.10, 1929)	11-3-30
T	0.50	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	S'hai Malay Rub. Est., Ltd. ord.	30,000	30,000	T10	Dec.	Final Divid. T0.50 (mkg. T1, 1929)	31-3-30
T	1	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	S'hai Malay Rub. Est., Ltd. 8% cum. part pref.	30,000	27,380	T10	Dec.	T8%, 1929	31-3-30
T	....	....	0.05	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	0.60 Mc	0.50 Mc	....	....	S'hai Pahang Rubber Estate, Ltd.	200,000	200,000	T1	June	Divid. T0.10, 1928-29	25-9-29
T	0.12½	....	....	....	....	....	....	....	....	....	....	....	500	0.10	....	....	0.10	....	....	0.60 Ap	0.35 Dec	0.20 June	0.10 June	S'hai Seremban Rubber Estates, Ltd.	325,000	325,000	T1	Dec.	Final T0.10 (mkg. T0.15, 1929)	17-3-30
T	....	....	1.75	....	....	....	....	....	....	....	....	....	3,800	1.75	....	....	1.75	....	....	5.25 Mc	3.50 F	1.75 June	1.50 June	S'hai-Sumatra Rubber Ests., Ltd.	120,000	76,956	T5	Oct.	Final Divid. T0.50 (mkg. T0.75, 1928-29)	1-4-30
T	....	....	0.10	....	....	....	....	....	....	....	....	....	4,500	0.10	....	....	0.10	....	....	0.45 Ap	0.35 Nov	0.10 June	0.10 June	Sua Manggis Rubber Co., Ltd.	280,000	270,000	T1	Dec.	Divid. T0.06, 1928	5-4-28
T	....	....	0.10	....	....	....	....	....	....	....	....	....	4,000	0.15	....	....	0.15	....	....	0.70 Ap	0.57½ Jl	0.15 June	0.15 June	Sungala Rubber Estates, Ltd.	150,000	150,000	T1	Mar.	Divid. T0.10, 1929-30	6-6-30
T	2.25	....	....	....	....	....	....	....	....	....	....	125	....	....	....	....	....	....	....	7 Feb	3.10 Nov	1.80 Jun	1.80 Jun	Sungei Duri Rubber Estate, Ltd.	40,000	40,000	£1 (T8.50)	June	Divid. T0.50, 1929-30	17-9-30
T	0.35	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	1.05 Mc	0.40 Sep	0.85 Jan	0.85 Jan	Tanah Merah Estates (1916), Ltd.	1,500,000	1,300,000	T1	Mar.	Divid. T0.08, 1929-30	12-6-30
T	0.15	....	....	....	....	....	....	....	....	....	....	500	15,500	0.20	....	....	0.20	....	....	1.60 Mc	0.70 Ag	0.40 Apr	0.20 June	Tebong Rubber Estate, Ltd.	750,000	710,000	T1	Jan.	Final Divid. T0.20 (mkg. T0.30, 1929-30)	25-4-30
T	....	....	2	2.20	....	....	....	....	....	....	....	1,500	30.50	2.25	....	....	2	....	....	5 Ap	2.75 Sep	2.25 June	2 June	Ziangbo Rubber Co., Ltd.	300,000	250,000	10s. at 2/5½	Dec.	Final T0.20 (mkg. T0.60, 1929)	13-3-30

For all Mex. Dollar shares on the Shanghai Stock Exchange the Exchange rate is fixed at 73.

Rubber Output Statistics

Company	Paid up Capital	Output last fin. year: Year ended	Output last fin. year: Quantity (lb.)	Output from end of last fin. year to 31-7-31	1931 Aug.	1931 Sep.	1931 Oct.	1931 Nov.	1931 Dec.	1932 Jan.	1932 Feb.	1932 Mar.	1932 Apr.	1932 May
				lb.	lb.	lb.	lb.	lb.	lb.	lb.	lb.	lb.	lb.	lb.
Alma	Tls. 630,000	30-9-31	564,022	..	..	..	54,200	50,900	48,000	60,500	37,800	37,400	41,500	46,000
Anglo-Dutch	" 1,575,000	31-12-31	1,370,044	..	..	..	..	..	..	107,000	115,000	140,000	136,000	125,000
Anglo-Java	" 2,093,011	31-12-31	3,103,869	..	..	..	..	..	..	207,000	245,000	315,000	303,000	300,000
Ayer Tawah	" 335,499	30-9-31	785,162	..	..	..	71,876	71,520	72,947	75,706	58,120	53,500	..	..
Batu Anam	" 400,000	31-12-31	506,500	..	..	..	..	..	..	48,700	36,000	35,000	40,000	43,000
Bukit	" 500,000	31-3-31	781,652	255,700	43,500	43,500	46,500	50,000	50,400	53,600	LIQ	LIQ	LIQ	LIQ
Bute	" 300,000	31-12-31	391,200	..	..	..	..	..	..	37,000	31,000	30,500	30,000	33,000
Chemor United	" 360,000	31-12-31	611,490	..	..	..	..	..	..	49,900	59,900	48,100	61,700	7,000
Chempedak	" 232,177	31-10-31	324,800	..	..	..	..	28,500	38,000	41,000	29,000	33,500	30,000	34,000
Cheng	" 274,875	30-6-31	263,000	22,500	27,000	21,000	28,000	24,000	38,000	35,000	32,000	29,500	31,000	30,000
Consolidated (1924)	" 281,250	31-12-31	1,341,000	..	..	..	..	..	..	115,000	105,000	99,500	95,000	105,800
Dominion	" 166,745	31-12-31	846,315	..	..	..	..	..	..	82,089	67,782	61,559	71,903	79,943
Gula-Kalumpong	£ 665,000	31-12-31	2,596,000	..	..	..	..	..	..	..	..	..	..	..
Java Consolidated	Tls. 650,113	31-12-31	1,037,223	..	..	..	..	..	..	70,500	77,000	78,000	97,300	101,000
Kapayang	" 148,000	31-12-31	130,080	..	..	..	..	..	..	10,600	10,600	18,800	21,200	21,000
Kota Bahroe (1921)	" 292,500	30-6-31	604,139	59,200	63,300	57,700	63,000	61,200	54,200	62,000	49,800	50,000	49,700	55,200
Kroewoek	" 473,000	31-12-31	992,997	..	..	..	..	..	..	84,300	81,500	90,400	92,900	93,000
Langkat	" 1,825,000	31-10-30	786,682	1,393,901	83,904	90,062	85,722	83,021	85,262	90,707	72,921	78,362	..	80,426
Padang	" 500,000	30-4-31	356,772	23,640	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Pengkalan (1931)	" 150,000	31-3-31	230,000	66,400	20,000	18,700	12,000	NIL	NIL	17,000	7,500	11,500	..	..
Permata	" 226,585	31-10-31	141,902	..	..	..	..	17,823	18,741	16,888	11,682	16,761	11,477	..
Repah	" 450,000	31-12-31	868,500	..	..	..	..	..	..	86,000	55,000	64,500	66,000	61,000
Samagaga	" 411,000	30-9-31	365,676	..	..	..	29,500	31,000	29,500	35,000	24,600	25,500	32,000	35,000
Semambu	" 300,000	31-12-31	447,200	..	..	..	..	..	..	38,200	38,200	39,000	34,000	34,000
Senawang (1921) Ord.	" 285,000	31-1-31	628,000	220,500	59,000	58,000	63,200	56,000	64,600	68,000	48,200	50,000	49,050	58,000
Senawang (1921) Pref.	" 33,943													
Shanghai Kedah	" 300,000	30-9-31	683,583	..	..	..	62,544	717 40	74,550	72,711	60,737	61,135	64,017	67,713
Shanghai Kelantan (1925)	" 77,689	31-12-31	208,203	..	..	..	..	..	..	NIL	NIL	NIL	NIL	NIL
S'hai-Klebang	" 313,613	31-12-31	226,872	..	..	..	..	..	..	21,500	17,800	15,500	16,500	19,000
S'hai Malay Ord.	" 300,000	31-12-31	796,571	..	..	..	..	..	..	69,100	59,000	55,100	62,100	66,000
S'hai Malay Pref.	" 273,800													
S'hai Pahang	" 200,000	30-6-31	470,100	41,200	43,50.	41,700	38,900	39,700	36,400	41,200	35,400	33,600	28,300	30,900
S'hai Seremban	" 325,000	31-12-31	411,150	..	..	..	..	..	..	41,800	34,000	32,300	33,400	36,000
S'hai Sumatra	" 384,780	31-10-31	685,000	..	..	..	..	..	..	68,520	58,385	65,000	..	55,115
Sua-Manggis	" 270,000	31-12-31	154,800	..	..	..	..	..	..	..	..	..	..	..
Sungala	" 150,000	31-3-32	172,480	..	..	..	..	..	..	..	..	..	13,081	..
Sungei Duri	" 340,000	30-6-31	523,929	41,200	39,600	40,000	44,000	47,000	44,000	49,000	41,500	34,500	38,000	43,000
Tanah Merah (1916)	" 1,300,000	31-3-32	1,386,907	..	..	..	..	..	..	..	..	..	110,659	120,430
Tebong	" 710,000	31-1-31	1,309,000	713,000	137,000	130,000	148,000	144,000	150,000	156,000	107,000	109,000	122,000	120,000
Ziangbo	" 1,030,043	31-12-31	1,282,537	..	..	..	..	..	..	85,000	94,000	104,000	108,800	116,500

Rubber Prices

June	17th	18th	20th	21st	22nd	23rd
London Spot	1.3/4d	1.3/4d	1.13/16d	1.13/16d	1.3/4d	1.3/4d
July/Sept.	1.3/4d	1.13/16d	1.13/16d	1.13/16d	1.3/4d	1.3/4d
Oct./Dec.	1.7/8d	1.7/8d	1.7/8d	1.7/8d	1.13/16d	1.13/16d
Market	Quiet steady	Steady	Steady	Quiet Steady	Dull	Dull
New York Spot	2.3/4	2.11/16	2.11/16	2.11/16	2.5/8	2.5/8
July/Sept.	2.3/4	2.11/16	2.11/16	2.11/16	2.5/8	2.5/8
Oct./Dec.	2.13/16	2.3/4	2.13/16	2.3/4	2.11/16	2.11/16
Market	Quiet	Dull neglected	Very quiet	Very quiet	Very quiet	Very Quiet
Singapore Spot	5.1/6	5.1/16	5.1/16	5.1/16	5	5
Oct./Dec.	5.1/4	5.1/4	5.1/4	5.1/4	5.1/4	5.1/8
Market	Quiet	Steady	Steady	Steady	Steady	Steady

Company's Notices

F. M. C. Loan of 1914 5½% Debentures
F. M. C. Loan of 1916 5½% "
F. M. C. Loan of 1921 8% "

The Transfer Books for the above Loans will be closed from June 8 to 30, 1932, both days inclusive.

Shanghai Municipal Council Debentures.—The Transfer Books of the Municipal Loans will be closed from June 16 to 30, 1932, both days inclusive.

The Lane, Crawford & Co., Ltd.—The Annual General Meeting of Shareholders will be held at No. 23 Nanking Road, Shanghai, on Monday, June 27, 1932, at 5.45 p.m. The Transfer Books will be closed from June 13 to 27, 1932, both days inclusive.

The Shanghai Land Investment Co., Ltd.—

1914 6% Debentures
1916 5½% "
1/7/25 6% "
1931 6% "

The Register of Transfers of Debentures will be closed for the above Issues from June 23 to 30, 1932, both days inclusive.

China Finance Corporation.—The regular quarterly dividend of Tls. 0.10 on the Preferred Stock will be paid on June 30, 1932 to stockholders on record of June 20, 1932.

The Shanghai Waterworks Co., Ltd.—The Debenture Transfer Registers will be closed from June 20 to 30, 1932, both days inclusive.

The Cathay Land Co., Ltd.—No transfer of debentures will be recorded between June 22 to 30, both days inclusive, during which period the register will remain closed.

Shanghai Power Co.—The regular quarterly dividend of Tls. 1.50 per share on the Tls. 6 Silver Preferred Stock has been declared for payment on record of June 18, 1932.

Fonciere et Immobiliere de Chine.—The Debentures Register of the Company will be closed from June 22 to 30, 1932, both days inclusive.

American Asiatic Underwriters.—A dividend of 4% or Tls. 4.00 per share for the half year ending June 30, 1932, on 8% Cumulative Preferred Stock will be paid to the holders of such stock as registered on the books of the corporation June 30, 1932. The Transfer books will be closed from June 28 to 30, 1932, both days inclusive.

Asia Realty Co.—The transfer books of the 6% Preferred shares will be closed from June 28 to 30, 1932, both days inclusive for the payment of the regular semi-annual dividend.

G. E. Marden & Co., Ltd.—The Debenture Transfer Books will be closed from June 24 to 30, 1932, both days inclusive.

The West End Estates, Ltd.—The 16th Annual General Meeting will be held at No. 48 Szechuen Road, Shanghai, on Thursday, June 30, 1932, at 10 a.m. The Transfer Books will be closed from June 23 to 30, 1932, both days inclusive.

The Shanghai & Hongkew Wharf Co., Ltd.—For purposes of the New Shares Issue the Transfer Books and Register of Members will be closed from June 24 to 30, 1932, both days inclusive.

The Shanghai Waterworks Co., Ltd.—8% Debentures Issue of January 1922—Debentures of the above issue which have not been exchanged for debentures of the new issue of 7 per cent. Cumulative Redeemable Preference Shares will be repaid on the 30th June, 1932.

Registered Debentures duly endorsed should be presented at the Company's Office, No. 484 Kiangse Road, Shanghai, on or before that date.

Debentures to Bearer together with coupons Nos. 23 to 60 inclusive attached must be presented at the Shanghai Office of the Hongkong and Shanghai Banking Corporation, together with listing forms to be obtained from the said Bank duly completed, two clear days previous to payment.

Debentures

Closing Prices 21-6.32		Buyers	Sellers	Nominal	Last Done: Price	Last Done: Date	Loan Amount outstanding	Interest payable at end of
		Tls.	Tls.	Tls.				
S.M.C.	7%'22 (10/30) Tls.	100½	..	..	101	24-6-32	8,000,000	June-Dec.
"	6%'23 (") "	100	..	..	100	18-6-32	4,920,000	do.
"	6%'24 (") "	100½	..	..	100	4-6-32	5,000,000	do.
"	6%'25 (") "	100½	..	..	100	6-6-32	2,000,000	do.
"	6%'26 (") "	100½	..	..	100½	23-6-32	1,860,000	do.
"	7%'27 (10) "	101½	..	..	101	23-6-32	1,750,000	do.
"	7%'28 (5/10) "	101	..	..	101	10-5-32	1,000,000	do.
F.M.C.	6%'11 (10/30) "	..	..	96	97	3-6-32	304,900	May-Nov.
"	5½%'14 (") "	..	..	91½	90	3-12-31	457,500	June-Dec.
"	5½%'16 (") "	..	..	91½	92	2-6-32	316,200	do.
"	8%'21 (") "	..	..	100	100	8-1-32	1,956,300	do.
"	6%'23 (") "	..	..	96	95	26-4-32	800,000	May-Nov.
"	7%'24 (") "	99	..	..	99½	19-5-32	800,000	Mar.-Sept.
"	6½%'25 (") "	98	..	..	98	2-6-32	2,000,000	Apr.-Oct.
"	6½%'26 (") "	98	..	..	98	2-6-32	1,000,000	Jan.-July
"	7%'28 (10) "	99½	..	..	99½	2-12-31	500,000	15/4-15/10
"	7%'29 (") "	99½	..	..	100	2-6-32	1,200,000	10/5-10/11
"	6%'30 (10/25) "	96½	..	..	96½	2-6-32	2,000,000	Apr.-Oct.
"	6%'31 (") "	96½	..	..	97½	20-6-32	3,000,000	Feb.-Aug.
Am. Club	8%'22 (10/20) "	..	..	102	101	19-12-31	750,000	August
A. F. Land	6%'31 (10/20) "	..	..	95	96	20-6-32	2,000,000	June-Dec.
Asia Realty	6%'30 (Coupon) "	..	..	96	90	22-6-32	2,000,000	Feb.-Aug.
"	6%'30 (Regd) "	..	..	96	90	22-6-32	1,401,000	Mar.-Sept.
Cathay Land	6%'30 (20) "	..	..	95	95	20-6-32	3,000,000	June-Dec.
China Realty	8%'30 (10) "	..	..	96½	96½	20-6-32	3,000,000	Mar.-Sept.
"	8%'31 (10) "	..	..	96½	96½	20-6-32	1,840,700	1/4-1/10
Ch. Transport	8%'31 "	..	..	89	89½	28-5-32	600,000	June-Dec.
C. C'try Club	8%	..	..	101	101	21-6-32	..	do.
Country Club	6%'01 (Perpl) "	..	..	100	100	21-1-32	139,000	do.
Fonc. et Immob.	6%'30 (15) "	..	..	96	..	..	1,000,000	do.
French Club	7%	..	..	90	89½	13-11-31	500,000	do.
Int. Inv. Trust	6%'30 (10/25) "	..	..	95	96	25-5-32	2,000,000	Mar.-Sept.
Marden	6%'30 (10/15) "	..	..	97	97	8-7-31	500,000	June-Dec.
Race-Club	6½%'23 (25) "	..	..	101½	102	25-5-32	1,200,000	Feb.-Aug.
S'hai Land	6%'13 (5/20) "	97	..	..	96	5-5-32	750,000	Various (3)
"	6%'14 (") "	..	..	96	100	28-10-31	250,000	June-Dec.
"	5½%'16 (5/25) "	..	..	92½	93	14-6-32	237,600	do.
"	6%'22 (") "	..	..	96	97	19-5-32	1,250,000	Various (2)
"	6%'25 (") "	..	..	96	..	..	500,000	do.
"	6%'26 (20/30) "	..	..	96	96½	12-1-32	500,000	Mar.-Sept.
"	5%'30 (15) "	..	..	86	96½	19-5-31	5,000,000	31/5-30/11
"	6%'31 (10/20) "	..	..	97	97	24-6-32	3,000,000	June-Dec.
S'hai Properties	5%'31 "	..	..	97	..	..	5,000,000	do.
Tientsin Land	7%'29 (12/22)T "	..	..	100	..	..	1,422,100	do.
W'works	*8%'22 (10/30) "	..	..	100	101	8-1-32	500,000	do.
"	7%'22 (") "	..	..	100	100	18-6-32	1,000,000	do.
"	6%'25 (") "	..	..	100	..	..	500,000	do.
"	6%'31 (") "	..	..	99	99	20-6-32	2,800,000	do.

In addition to prices quoted above buyers pay interest accrued since last half-yearly payment.

*To be redeemed June 30, 1932.

Forward Settlements for 1932

June 28, Tuesday	August 30, Tuesday	October, Tuesday
July 26, Tuesday	September 27, Tuesday	November 29, Tuesday
	December 20, Tuesday	

Hongkong & Shanghai Bank Official Selling Rates (Tel. Transfer) opening June 24, 1932
LONDON £1, @ 1/7½ = Tls. 12.15 NEW YORK G.$100, @ 29¾ = Tls. 337.55

Rubber Review, Chinese Government Bonds, etc.

Rubber Review.—The following information has been courteously supplied by Reuters :—

London, June 17.

"In the absence of any further liquidation, a very steady tone has been maintained in the rubber market during the past week. The volume of business done with the hometrade and also on outside account was only very moderate, but a good demand was reported, principally for "spot" delivery to Russia. Moreover, sellers latterly have been rather reserved owing to limited offerings of the commodity from the East at present price-levels, while a continued decrease in United Kingdom stocks has also created a better feeling in the market."

New York, June 23:

"There has been no particular feature to record in the rubber market, which has remained a colourless affair throughout the week. Early moderate strength of values gave way to an easier and irregular trend, although general news made encouraging reading, with buying practically neglible. Later, the market developed a steadier appearance but again eased off under the adverse influence of the securities and grain markets. Rubber values still further eased in a more marked manner on a bearish Far Eastern census report and at the present time rules quiet but steady.

The outside market has been completely devoid of any interest during the whole week."

London and Liverpool stocks of rubber on June 18th totalled 111,237 tons, showing a decrease of 2,950 tons during the week. Deliveries during the week totalled 4,028 tons, compared with 2,609 tons for the previous week. The following are the usual comparative weekly prices :—

	London Spot	London Oct./Dec.	New York Spot	New York Oct./Dec.	Singapore Spot	Singapore Oct./Dec.
June 16	1¾	1⅞	2-11/16	2-13/16	5-1/16	5¼
June 23	1¾	1-13/16	2⅝	2-11/16	5	5⅛
	Dull		Very Quiet		Steady	

Share Market Report.—The market during the past week has been most depressed with a moderate amount of business transacted at generally sagging prices from day to day. A total of 154,150 rubber shares have been liquidated during the week at low prices. Ewos have been active on a declining market with 42,600 shares done between Tls. 13.90 cash and Tls. 13.60 July and close buyers at the latter quotation. The market closes generally dull and uncertain.

Chinese Govt. Bonds.—Both the London and local markets in Chinese Govt. Bonds are dull with little enquiry and quotations remain fairly steady though they are mainly nominal. The following are the latest prices received by cable from London this morning :—

5% Reorg. Loan 1913, British Issue	£60	0	0	Nominal
5% Gold Loan, 1912	£35	0	0	"
5% Gold $ Loan 1925, stamped (Per G.$500)	£81	15	0	"
5% Shanghai-Nanking Railway Bonds	£28	10	0	"
5% S'hai-H'chow-Ningpo Railway Bonds	£55	10	0	"
5% Hukuang Railway Bonds	£12	to	£16	Unofficial
5% Lung-Tsing U-Hai Railway Bonds	£ 5	10	0	Nominal
Chinese Engineering & Mining Co. "Bearer"	£ 1	2	6	"
Shanghai Electric Construction Co. "Bearer"	£ 2	10	0	"
Hongkong & Shanghai Banking Corporation	£94	10	0	"
Chartered Bank of I. A. & China	£10	10	0	"
Gula-Kalumpong Rubber Estates	£ 0	6	3	"
Shell Transport & Trading Co.	£ 1	13	9	"

In order to ensure the accuracy of the above Details, Agents and Secretaries of Companies are requested please to advise any alteration and omission to J. P. BISSET & CO., 12 The Bund, Shanghai, compilers of this report on behalf of the Shanghai Stock Exchange

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COMMERCE AND FINANCE

(Continued from page 499.)

and the answer has already been given.

Mr. Soyka: Mr. Morgan doesn't want his questions in the papers and I want mine in.

Mr. L. E. Canning: The question has already been answered. Why make veiled suggestions of dishonesty? Why haven't you the courage to come out into the open and say what you mean? If you can't, I would suggest that you should shut up.

Mr. Soyka: Please behave like a gentleman and let me ask my questions.

The chairman: I must refuse to answer. Are there any other questions, gentlemen?

Mr. Soyka: There are some questions but I'm not going to ask them. It's no use asking questions if you cannot get an answer, when the chairman refuses to answer.

There were no further questions so the resolutions were put to the meeting in the usual way and carried unanimously.

The meeting opened with the reading of the notice convening the auditors' report after which the chairman (Mr. C. F. Shackleton), who, supported by Sir Elly Kadoorie and Mr. R. N. Swann (directors), Mr. J. E. Badeley (legal adviser) and Mr. A. J. Welch (secretary), presided over a gathering representing 171,850 shares, said:—

The working for the year has resulted, unfortunately, in a loss of F.41,822.87 despite the rigid economy that has been exercised in running the Estates.

Since the end of the year, a further drastic reorganisation of work has taken place with the hope of meeting, at least to some extent, the further fall in the price of rubber brought about by the failure of the powers that be to agree upon some scheme for the compulsory regulation of output.

Hitherto estates in the Dutch Indies have had an advantage over those in the Straits owing to the fact that, whilst the number of cents paid to the coolies per day was practically the same in both countries, the sterling equivalent of the guilder was only 20 pence whereas the dollar represented 28 pence. Since Great Britain went off the gold standard, however, the position has been reversed and the Dutch Indies are now at a considerable disadvantage when the proceeds of the sales of rubber are expressed in guilder cents.

The output of rubber during 1931 was 146,4000. lbs. greater than for the previous year but, in spite of this, the estate expenditure was reduced by F.41,380 on the other hand unfortunately, the proceeds of sales also showed a decrease of F.84,463 so that the economies effected were nullified.

The financial position of the company is, I am glad to say, in a very healthy state and we should be able to survive the present crisis in the industry, though, of course, if it continues much longer our resources are bound to be considerably depleted in the process.

As regards planting matters, both properties are reported to be in a good state of upkeep in spite of the rigid economy that has been enforced.

The interplanted coffee on Kali Padang Estate will bear its first crop this year, the harvest being estimated at 500 piculs. Coffee, unfortunately, like rubber and most other products, has been going through a state of depression, but I am glad to say that prices now, although still very low, show a considerable improvement over those ruling a few months ago.

The supply of labour was sufficient on both estates during the year despite the largely reduced rate of pay and the health of the coolies on Kali Padang Estate was satisfactory. On Soember Mas Estate, I regret to say that conditions were not so good, malaria, influenza and dysentery being prevalent.

It was again necessary to dust the gardens with sulphur as a prophylactic against the abnormal leaf-fall caused by oidium and I am glad to say that the dusting was completely efficacious in keeping the disease in check.

The gardens on both estates are under a cover of nitrogenous green plants which, besides keeping out weeds, are of great value in improving the fertility of the soil.

All buildings and machinery have been kept in a proper state of repair and no large replacements will be necessary for some time to come.

The European staffs on both estates have been reduced to a minimum and no further pruning in this direction is possible. Our best thanks are due to the staffs on the estates, the visiting agent and the agents in Java for the whole-hearted manner in which they have collaborated in the endeavour to effect economies and thus to enable the company to survive the crisis.

The questions and answers quoted having been asked and replied to, the following resolutions were formally proposed, seconded, put to the meeting and carried without a dissent:—

That the directors' report and statement of accounts for the year ended December 31, 1931, as presented, be adopted and passed.

That Mr. R. N. Swann be re-elected a director of the company.

That Messrs. Lowe, Bingham & Matthews be re-elected auditors of the company.

Ziangbe Rubber Co.

The 22nd annual general meeting of the Ziangbe Rubber Co., Ltd., was held at noon on June 24 at the offices of J. A. Wattie & Co., Ltd., secretaries and general managers, at 10 Canton Road. Mr. C. F. Shackleton, chairman, presided, and was supported by Sir Elly Kadoorie, Messrs. L. F. Canning, W. R. B. McBain, directors, and Mr. A. J. Welch, secretary. The number of shares represented was 63,750.

The chairman said:

The result of the past year's working of the Dutch Company showed a loss of f.44,762.47 as compared with a profit of f.61,867.82 for 1930. This unfortunate result was entirely attributable to the disastrous fall in the price of raw rubber, which like all other raw products has been affected by the general depression in the world's economic position. The average price realised for the product was only 2.54d. per pound or approximately 50 per cent. of the average of the previous year, whilst the total production was only 2.5 per cent. less, although tapping was stopped on Kaliminggir Estate from August 17 to the end of the year. On the other hand the most stringent economies have been carried out on the estates, and the total expenditure reduced from f.263,308.95 to f.205,380.10. This expenditure includes the whole of the cost of upkeeping the 922 acres of interplanted coffee on Bandoeardjo Estate, which was not yet producing. As you can understand a heavy reduction in expenditure spread over large areas, and affecting a great number of labourers with their ingrained conservatism can only be carried out gradually, or the result might very easily cause a considerable upset in the working of the estates. Thus although the year shows that expenditure has been reduced by 25 per cent. for the 12 months, the full effect of the axe is not seen, and the later months show a much greater percentage of reduction when compared with the earlier ones. The process of keeping down and reducing expenditure is still going on, and the great efforts of the visiting agent and managers are much appreciated.

In the last year's accounts, owing to reassessment of Verponding, it was found necessary to write off a sum of f. 21,722 being the amount under-reserved during past years, but this year there is a pleasant change and no less than f.19,862.52 of this was recovered. In addition to this, since the accounts were completed a sum of f.16,894.50 has been allowed as a refund for company tax paid over the years 1924/6, and it appears probable that further refunds will be obtainable. This sum of f.16,894.50 together with any others that may be allowed will go to reduce the debt balance of profit and loss account. These large differences, between amounts paid and amounts finally assessed, are unavoidable, as payments require to be made on the results of any given year, but final figures are adjusted on averages. The Dutch Company's profit and loss account shows a loss of f.31,548.03, which, however, includes f.9,000 transferred to the Shanghai Company as an agency fee. A credit of f.10,178.13 was brought forward from last year, so that the debit balance of profit and loss account in the Dutch Company at the end of the year was f.21,369.90, which will be reduced by the refund on company tax to which I have referred.

The accounts for the Shanghai Company, including the agency fee from Java, show a profit of Tls. 10,657.34, which added to the credit of Tls. 14,950.15 brought forward from last year, makes a credit balance to profit and lass account of Tls. 25,607.49, which your board have decided to carry forward. Last year I referred to the reserve accounts appearing in the Dutch Company's balance sheet, although the corresponding assets were in Shanghai. This year these reserve accounts have been shown in the Shanghai balance sheet having been transferred at the book rate of exchange. This transfer has reduced the amount of the current account between the companies, which has now been adjusted to the rate of exchange ruling at the end of December. The exchange difference resulting is shown in the balance sheet as a separate item.

As regards the estates both are reported to be in a satisfactory condition, nothwithstanding the very considerable reduction in expenditure. The 922 acres of coffee on Bandoeardjo have benefitted by the more favourable weather conditions during 1931, and good crops should be obtained in 1933. The young rubber areas on Kaliminggir Estate consisting largely of budgrafts of proved clones show excellent growth, and in normal times the programme to replant slowly would be continued.

The buildings and machinery on Bandoeardjo Estate are beginning to show signs of age, but with care and attention it is hoped to maintain their usefulness until better times. On Kaliminggir, the buildings are in good order, but during the year it was necessary to replace the engine and creping machinery, which had been in continuous use since 1911. The expenditure on this new outfit was f.20,827.40, but there will be a very considerable reduction in the working expenses, whilst advantage can be taken of the high premium now ruling for Pale Crepe as compared to Sheet Rubber.

Mr. Verhelst continues to manage Bandoeardjo, which he has done so successfully for 20 years, and has one assistant, Mr. Slot, who has recently been replaced on Kaliminggir by Mr. Barkey who is a planter of much experience in West Java, and the total expenditure on salaries per acre bears comparison with any other properties of similar size. As I have previously remarked the efforts to reduce expenditure and at the same time maintaining the estates in a satisfactory state, are not being slackened, and although so far every reduction in expenses has been followed by a fall in the price of rubber, we can only hope that the bottom has been reached as regards the latter. The huge world's stocks have accumulated more on account of the fall in consumption rather than any increase in production, and doubtless when the turn in the tide occurs will rapidly become normal, and open the way for a reasonable price for the raw material. The question of ceasing to tap has had the closest attention of your board, and although any brake on production would accelerate the return to a normal stock position, many factors prevent individual estates acting in an altruistic manner. The labour engaged in tapping is also employed in doing a certain amount of weeding and other upkeep, and even at present price of rubber the actual net out of pockets are less by tapping than by placing the estates on a care and maintenance basis. The amounts payable for rent and taxes alone amount to approximately f.2,800 per month, and these are payable in either case. The board's policy is not to obtain the maximum output in order to decrease the cost per pound, but to obtain what can be called an optimum crop, that is the lowest crop, which will give the best results. During the past few months many hundreds of estates in the D.E.I. have closed down, as by doing so they expect to reduce their loss, and a great many of these will probably incur great risk of permanent ruin by reason of neglect.

The return of rubber to a profitable price is, I believe, certain, but when this will be depends on the emergence of the world from its present condition of chaos. In the meantime your company is in a very favourable position to withstand a long period of low prices, and in keeping its properties in good order, will be amongst the first to benefit when the good ship of the rubber industry comes home.

As there were no questions, the following resolutions were carried:

That the directors' report and statement of accounts for the year ended December 31, 1931, as presented, be adopted and passed.

That the appointment of Mr. L. E. Canning as a director of the company be confirmed.

That Sir Elly Kadoorie be re-elected a director of the company.

That Messrs. Lowe, Bingham & Matthews be re-elected auditors to the company.

Lane, Crawford & Co., Ltd.

The thirty-sixth annual general meeting of Messrs. Lane, Crawford & Company, Limited, was held at their premises, No. 23 Nanking Road, yesterday at 5.45 p.m., 1284 shares being represented.

Mr. D. W. Crawford, acting chairman and director of the company, presided and said:—

With regard to the accounts all the amounts due on the debentures issued by the Company were paid off by October 1, 1931, as you are aware this sum was held in trust by Messrs. E. D. Sassoon & Co., together with sufficient funds to cover all interest due—debenture interest amounting to $8,891.96 had to be debited to last year's accounts, and appears in profit and loss account, but as these debentures have now been paid off, this figure will naturally not appear in future accounts nor will the manager's commission of $7,500 which also appears in profit and loss account, as such commission is only contingent on the Company paying a dividend of 10 per cent. to shareholders.

You will notice that a very considerable sum has been allowed for depreciation during the year under review, our fixtures being written down to $15,572.80 whereas they are insured for Tls. 30,000.

With regard to the trading loss for the year, after deducting directors' and auditors' fees, depreciation commission and debenture interest, I make same to be about $16,000, about half of the last year's figures.

For the first eight months of the year our prospects were quite bright and your directors anticipated being able to place before you quite a respectable report, but the sudden drop in exchange in the autumn affected us adversely and to crown all came the troubles in Chapei in January and February of this year—a great majority of our customers and staff being connected with the defence of the Settlement in some way, our returns naturally dropped to a minimum, and with our returns dropping, profits decreased accordingly. At the end of October 1931 our returns were about 9 per cent. ahead of the previous year for the same period, by the end of February 1932 they were about 3 per cent. less than at the end of February, 1931.

Your directors have been informed that some shareholders expected to receive a large bonus out of the profits still in hand from the sale of the property. One of the reasons for the directors not recommending a payment of more than six dollars per share is that we are for the most part financing our shipments from home in a different manner to former times. In the past we were drawn on at 120 days sight by our London agents, but bank interest on these drafts gradually increased from 4 per cent. to 7 per cent. it is now 6 per cent. so commencing with January of this year your directors decided to telegraph the necessary funds to London to pay for purchases made on our account. In order to enable us to do this, it is necessary for us to consolidate our cash as much as possible as goods, instead of being paid for 120 days after the drafts are accepted are now paid for by us before they are shipped, but we save 6 per cent. on the drafts.

We have recently done away with the system of collection of accounts by shroffs; we took this step partly on account of the many complaints from customers and partly because it will effect quite an important reduction in our overhead expenses. I may here say that our collections have not suffered in consequence of this change, on the contrary, they have increased, that is in proportion to the turnover.

There being no questions, the chairman then proposed the following three resolutions:

1. That the report and statement of accounts be accepted.
2. That Mr. Mennie be re-elected director.
3. That Messrs. Thomson & Co. be reelected auditors for the ensuring financial year, at a remuneration of $750 per annum.

All three resolutions were unanimously adopted.

CHINESE DOMESTIC BONDS

By Courtesy of S. D. Wang & Co.

The outstanding developments of the week in the political world that most logically affected the Government bond market were those connected with the Japanese seizure of the Manchurian customs receipts. The situation in South China with increasing possibilities of actual hostilities breaking our between Chen Chi-tong's Canton regiment and Chen Chak's independent establishment on Hainan Island was also an important factor, not to mention a busy week of the active campaign by the Government in its expedition to suppress the growing Communist menace in the interior.

These events had a logically weakening influence on the bond market, but the effects as trading came to a close on Saturday afternoon were far from those that one might have expected.

To begin with a bullish tendency was clearly observable on the opening day of the week when there was a uniform rise in the market, with July prices advancing more rapidly. That there was no justification for this is clear, but that it should have occurred in the face of adverse developments many suggest a reorientation of the viewpoint with which traders and investors regard the fundamentals of the market.

Prices fluctuated fractionally every day for the remainder of the week until Saturday. Tuesday they were down as much as half a point. Wednesday was mixed with more gains than losses. They slumped on Thursday and Friday and the situation appeared to have gone decidedly short. Saturday was the last day on which June contracts could be negotiated. Speculative marginal commitments had to be covered that day. A surprising reaction to the downward trend set in from the start and with unimportant interruptions continued on to the end of the day with all issues up from .10 to .90 of a point.

During a week with adverse events outnumbering those that might have been considered favourable, the results should have shown the market down several points. Followers of the market, however, have learned in the last two months to expect the unexpected, and they have not been disappointed. In many known instances they have profited quite substantially by acting in accordance with their abnormal expectations.

With a maximum fluctuation of 1.75 points, the majority of the list showed fractional gains over the previous corresponding period. The volume of business likewise was considerably larger, having cleared over $26,000,000, or about 50 per cent. more.

The record of the week ending June 25 follows:—

Issue	Open	High	Low	Close	May Close	Comparison	Fluctuation	Transactions
18th Yr. Customs								
June	29.90	30.00	28.95	29.20	29.50	— .30	1.05	565,000
July	29.50	29.50	29.00	29.00	29.05	— .05	.50	20,000
Reorganisation								
June	30.50	30.95	30.05	30.50	30.20	+ .30	.90	985,000
July	30.20	30.70	29.75	29.95	29.90	+ .05	.95	255,000
Disbandment								
June	51.90	52.10	50.80	51.30	51.50	— .20	1.30	1,185,000
July	50.70	51.55	49.90	50.45	50.20	+ .25	1.65	625,000
19th Yr. Customs								
June	41.70	42.30	41.10	42.00	41.60	+ .40	1.20	1,180,000
July	40.80	41.55	40.30	40.90	40.70	+ .20	1.25	825,000
Rehabilitation								
June	39.80	40.70	39.20	39.80	39.65	+ .15	1.50	1,190,000
July	39.40	40.20	38.35	39.20	39.20	——	1.85	995,000
20th Yr. Tobacco								
June	37.70	38.75	37.00	37.65	37.40	+ .25	1.75	1,820,000
July	37.20	38.20	36.60	37.20	37.05	+ .15	1.60	1,635,000
20th Yr. Customs								
June	37.20	37.90	36.60	36.95	36.85	+ .10	1.30	1,925,000
July	36.50	37.25	36.20	36.60	36.45	+ .15	1.05	1,275,000
Consolidated Tax								
June	38.50	39.75	38.20	39.00	38.50	+ .50	1.55	2,335,000
July	38.30	39.30	37.75	38.35	38.05	+ .30	1.55	2,050,000
Salt Revenue								
June	39.50	40.60	39.10	39.70	39.45	+ .25	1.50	2,360,000
July	39.10	39.80	38.65	39.25	39.00	+ .25	1.15	2,560,000

THE following names have been added to the list of authorised auditors in Hongkong:—Sir M. Jenks, Mr. J. E. Percival, Mr. J. C. Pidgeon, Mr. H. S. Goodwyn Isitt, Mr. A. E. Copp, Messrs. Maurice Jenks, Percival and Isitt. Sir Maurice Jenks is the present Lord Mayor of London.

DIRECTORY OF PROTESTANT MISSIONS IN CHINA 1932

IN the order of Missions under the various Stations in each Province, with an alphabetical List of Mission Workers.

PRICE $1.50

Published by

THE NORTH-CHINA DAILY NEWS AND HERALD LTD

17 The Bund, Shanghai

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Just Published: The 1932 Edition of the

China Year Book

General Information:

Area and population; coasts, mountains and rivers; people and language; fauna.

Greater China:

Mongolia.—History, tribal organization and government; Mongolian Affairs Conference; Outer Mongolia.

Manchuria.—Position and boundaries, situation, climate, area, population, immigration, history and independence.

Tibet.—Geography, trade, history.

Chinese Turkestan.—History, geography, flora, fauna and trade; Turkestan-Siberian Railway.

Mr. Justice Feetham's Report to Shanghai Municipal Council:

Origin, scope and methods of enquiry; government, history, description, business interests, political and administrative questions and future of Foreign Settlement; suggested reforms affecting Ratepayers' Meetings and Council; origin, present status and future of Outside Roads Areas.

Products (pastoral, agricultural and general):

Wool, skins, bristles, hides, furs, bones, cereals, soya beans, silk, cotton, sesamum, tea, oils, tobacco, fisheries, fibres, medicines, sugar, vegetable wax, straw-braid, nuts, timber, eggs, etc.

Public Health:

National Health Administration; patent and proprietary medicines; field health service, medical education, prevalence of communicable diseases.

Climate of China:

Monsoons, typhoons, rainfall, temperature, earthquakes, etc.

Geology, Mines and Minerals:

Rock formations of varied types; Governmental legislation and activity in mining: coal, iron, manganese, copper, gold, antimony, tungsten, tin, arsenic, aluminium and non-metallic minerals.

Trade and Commerce:

Early foreign trade.—Origin and development of trade with Portugal, Netherlands, Soviet Russia, America, Germany, Great Britain (British Economic Mission), Japan, France.

Modern trade.—Manchuria, North China, Upper, Middle and Lower Yangtze Ports, coast and river ports; customs; likin; commercial treaties.

Imports:

Cotton goods, yarn and raw cotton, woollen piece-goods, metals and minerals, machinery, electrical materials, timber, paper, petroleum products, chemical fertilizers, dyes.

Customs Revenue and Trade Statistics:

Values of direct trade with foreign countries; foreign trade imports; exports of living animals, food and beverages, materials, manufactured products, gold and silver.

The China Year Book is the only publication of its kind in existence in China. Its 850 closely-printed pages review China's political, military and trade activities in easy reference form; contain the latest treaty negotiations with Foreign Powers; a Who's Who of nearly a thousand prominent Chinese personalities, and special articles on such subjects as the Kuomintang, floods, labour, currency and like problems. Sino-Japanese relations are dealt with in a special section which contains all relevant documents concerning the boycott, the Manchurian question and the hostilities at Shanghai.

Mex. $20 net

Less than 10 per cent. of the contents of the Year Book is contained in previous editions, the first of which dates from 1912.

Finance:

T. V. Soong's report for 1929-30; Budget 1931-32; national policy towards debts; Boxer indemnity; new law on salt; tariff autonomy.

Labour:

Conditions in agriculture, handicrafts, mining and modern industry; labour disputes; wages, hours and cost of living; Governmental policies.

The Kuomintang:

History of party activities up to February, 1932, fully documented; the Third Party Congress; opposition campaigns; reorganization of Central Government machinery; Chiang-Hu split; National People's Convention; resignation of President Chiang; Shanghai Peace Conference.

Religions:

Confucianism; Taoism; Buddhism; Mohammedanism; Christianity (Nestorianism, Protestant and Catholic Missions).

Shipping:

Customs report, list of shipping lines and vessels in coast and river trade, Hongkong shipping and freight in 1930.

Army and Navy:

Arms, uniforms and equipment; arsenals, arms embargo and cancellation; strength and distribution of armies; foreign garrisons in China; Shanghai Volunteer Corps; Chinese Navy.

Sino-Japanese Issues:

Japanese and Chinese statements of principal points at issue, including report on anti-Chinese riots in Korea, Japanese invasion of Manchuria, disturbances in Tientsin, Japanese seizure of Salt Revenue; Japanese occupation of Heilungkiang; Chinchow and proposed neutral zone; "Independence" movement in Manchuria; Shanghai hostilities. Peace agreement and preliminary report of Lytton Commission.

Who's Who:

One thousand luminaries in the Chinese political and other horizons, checked up, wherever possible, to May 1, 1932.

Public Justice:

How it is organized and administered; survey of modern legislation; list of courts, prisons, etc.

Miscellaneous:

Foreign, diplomatic and consular services; passport regulations; insurance in 1931.

Appendices and Index

Printers and Publishers:

North-China Daily News and Herald, Limited

Box 707, Shanghai.

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LETTERS TO THE EDITOR

THE ENGLISH SPIRIT

Bishop Curtis' Tribute

To the Editor of the
"NORTH-CHINA DAILY NEWS."

SIR,—On the occasion of my last visit to Shanghai about six weeks ago I wrote a letter expressing my disgust at a British film that seemed to me thoroughly to deserve, with so many of our present day films, Rudyard Kipling's scathing condemnation of them in his latest book,

"And here is mock of faith and truth for children to behold,
"And every door of ancient dirt reopened to the old,
"With every word that taints the speech and show that weakens thought".....

I was present on Monday afternoon in the same picture house to see the film "Tell England" and again I feel called to record my impressions, and as a Britisher to express my pride and thankfulness in this as a British film.

It seemed to me typically English (speaking as an Irishman who has in many ways a great respect for the "mere English") in the complete absence of bitterness towards the enemy, Johnny Turk only appears as a soldier doing his job in a thoroughly workmanlike way and the only German is brought on to read the epitaph from the Wooden Cross

"Tell England, ye who read this monument
"We died for her and here we rest content,

and one felt it might read "Tell Germany" "Tell France, as it originally read "Tell Sparta" of those heroic souls by whom the supreme sacrifice was made and who have written in their life blood through all the ages "Dulce at decorum est pro patria mori."

It seemed to me again typically English in its featuring of the landing of the Anzacs and of the Munsters and Dublins from the "River Clyde." All through the war it was largely the same the headlines were all for the Australians, New Zealanders, Canadians, South Africans, Scots and Irish and the eighty per cent. and more of the burden doggedly carried by the "mere English" was left to be understood, they "carried on."

It is a fine picture of those many thousands of schoolboys whom the heroes call to our minds thronging into the army fresh from their playing fields, trained in the sense of duty in the public schools, and smilingly giving their bodies to be broken and their nerves to be stretched to breaking point, and taking up their military duties and responsibilities as they had taken their duties in school as prefects, as members of the school teams, units who had learned to behave as members of a larger body.

The sufferings of those who only "stand and wait" were suggested too, and the gallant bearing of the imcomparable N.C.O.s who made the work of these child officers possibde, and the almost superhuman cheerfulness and dogged grit of the rank and file, the ever glorious P.B.I. pack and rifle, tin hat and all.

One felt that the fitting close to a picture like that would be a prayer of thanksgiving to God for the brave men who were pictured and their fellows of every nation and for grace to work so that never again through selfishness and greed will men be asked to submit to such a hellish ordeal.

I would like to congratulate all who had anything to do with this film for a splendid piece of work.

May I also in this connection quote what is one of the most heartening things I have read for many a day. It is the dedicatory inscription in the new headquarters of the British Broadcasting Company, it runs (in translation, the original is in Latin).

To Almighty God

The first governors of this institution dedicate this Temple of the Arts and of the Muses under the first directorship of John Keith, Knight, praying for Divine help that a good sowing may have a good harvest and that every thing impure and hostile to peace may be banished from this building, and that whatsoever things are sincere and beautiful and of good report and lovable, the people inclining its ear to these things with a contentment of mind may follow them in the path of virtue and wisdom.

It makes one more hopeful of the future of the pictures and of wireless when one sees a film like "Tell England" and knows that the voice of England broadcast round the world is controlled by the ideals expressed in the B.B.C. dedication.

JOHN CURTIS.

Shanghai, June 21, 1932.

THE PUBLIC SCHOOL BOY

A Criticism

To the Editor of the
"NORTH-CHINA DAILY NEWS."

SIR,—I would be obliged if you would kindly publish the following in connection with the letter of Bishop Curtis in your issue of today.

As an Englishman I gratefully acknowledge the kind sentiment anent my people expressed in the letter of Bishop Curtis on the subject of the film "Tell England." Such praise is rarely heard nowadays in an Empire that is deafened by the vainglorious screeching of Scottish bagpipes and the reverberating "braggadocio" of some of its other (in)subordinate petty members.

From a letter in such conventional style however the reference to the "glorious traditions" of our public schools could hardly be omitted and it is to this that I take strong exception as the public schools have been praised to the high heavens already far beyond the limits of decency or modesty. Did this vast paean of praise come from the public? Why, sure! It came right from the public school people themselves.

The Great War showed that, as in every other section of the nation, in the ranks of the ex-public school boys there were men with a high sense of duty, heroes and cowards, efficient and inefficient and many men who invariably used their high social position to protect themselves from the worst kinds of hardships and hazards to say nothing of those who did not do anything.

For reasons which we all understand, but which are against the dictates of common sense, almost any public school boy could have the "King's Commission" during the Great War for the asking, social standing and the tone of his "Oxfordese" accent being an advantage and plain "dumbness" being no obstacle whatsoever. Possession of a commission of course automatically removed about half the hardships of fighting whether the holder was in a front line infantry company at Ypres, on a battle-cruiser in the North Sea or anywhere else in uniform.

Yet, with all our generations of public school trained men who were literally (though undeservedly) born to the leadership of the Empire, the Great War did not produce any outstanding general, admiral or statesman. Not to have been to a public school has been a social crime hitherto amongst the British and one who is not of the "elect" has a very slim chance of breaking through into the preserves of either the fighting or civil departments of the government service.

It is a great pity that the Duke of Wellington who, as well as being a fine soldier, was an arrant snob, should have been credited with the remark about Waterloo being won by officers from the playing fields of a certain public school (Blucher's Prussians certainly did not get their due here), but it might be noted that about the same period, the Emperor Napoleon, who had no public school boys but carried on somehow, described the English Army as "Lions led by asses." The "asses" were (presumably) the ones from the same playing fields.

During the Great War, in addition to the thousands of public school boys who were given commissions indiscriminately before leaving England, four infantry battalions, known as the Public School Battalions were formed and all went to France, I believe, as Service Battalions of the Royal Fusiliers. After a short period at the front, some, if not all four of these battalions were considered as not justifying further reinforcement and the existing strength was broken up and distributed amongst other units. This does not seem to indicate any marked superiority on the part of public school boys though it is only fair to say that the strength of the disbanded units was lowered by the granting of numerous commissions rather than by casualties.

In addition to the victory of the playing fields at Waterloo, we can credit our public school boy leaders with the responsibility for such achievements as insane operations in the Crimea 1854-55, the tremendous strategy of the opening of the Zulu War at Isandhlwana in 1879, the disastrous First Boer War culminating with the too tardy death of the man responsible at Majuba in 1885, the breath-taking idiocy of the last Boer War 1899-1902, so on through scores of minor campaigns right down to Jutland. The wonderful leadership and brain work of the public school boys in these instances resulted in glorious victories—for the enemy. Fortunately, once in a while, something happens that allows the despised ranker to use his own judgment and we do win something.

The public schools certainly excel in one thing—the inculcation of incredible snobbery and the passionate desire to preserve an unjust and obsolete mediæval social system. Public school boys are one vast mutual admiration society and it would be well for them to try to understand what the rest of the world really thinks about them. Ask any travelled American.

The film "Tell England" is "not so hot." How could it be when directed by a public school boy? The choice of subject, a British defeat is truly typical and the showing of such a film in a hostile Asiatic country does no good. The blood of the thousands of men who fell at Gallipoli does not wask out the stain of this disgraceful blunder on the part of our high command.

The public school system and the rotten social fabric which it cements together is not likely to last much longer. The rhapsody is nearly ended as, even the stupidest of the people are realising that the Empire is being conducted solely in the interests of the favoured few belonging to this privileged class which, in spite of its bleatings of glorious traditions and glorious war records can show nothing but the most inglorious conditions of peace without a vestige of hope for the future.

The public schools are dead but don't know it.

PLEBEIAN

Shanghai, June 23, 1932.

A Veteran's Retort

To the Editor of the
"NORTH-CHINA DAILY NEWS."

SIR,—May I as an original member of the "U.P.S." be allowed to reply to the letter of "Plebeian"—how apt a nom de plume!—which brigade, long since defunct, is the object of "Plebeian's" attack?

I enlisted in the Universities and Public Schools Brigade on September 3rd 1914, known, at the time, as the "U.P.S." We constituted the 18th to the 21st Battalions of the Royal Fusiliers. I had the honour to serve in the 21st Battalion.

My immediate neighbours in the ranks two solicitors, a professor from Oxford, a mining engineer, a school-master, and an actor. Snobs, all of them, no doubt, according to "Plebeian" but quite decent fellows.

The "U.P.S." was really a mistake from the start. Very soon after its formation the commanders of other newly-formed units gave commissions to members of the Brigade to such an extent, that the Commanding Officers of the Battalions of the Brigade refused to grant further discharges to the "other ranks" to take commissions.

It may be that "Plebeian" is right, and that University and Public School men are no good, but the War Office at that time did not share his views. They thought, as did the Commanding Officers to whom I referred, that the Universities and Public Schools formed that material from which officers could be made. And so, disregarding the inclinations of officers who wished to keep their units together, in May 1915, orders were given to the "U.P.S." to send up so-many hundreds of names per battalion, for commissions.

That ended the "U.P.S."

The cadres were kept up by the importation of all sorts of people in nowise connected with either the University or a Public School.

I think one battalion, the 21st, did go out.

When "Plebeian" writes that "possession of a commission of course automatically removed about half the hardships of fighting," all I can say is, that there was precious little of the front line that he ever saw.

TYCHO WING

Shanghai June 27, 1932.

Judging By Results

To the Editor of the
"NORTH-CHINA DAILY NEWS."

SIR,—As an Englishman, born in Canada, and who has lived in most parts of the British Empire as well as in Europe and the Far East, but never been to a public school, I hope you will allow me some of your space for a reply to "Plebeian."

First, I should like to ask him what is the alternative to the public school?

Let "Plebeian" remember that the large majority of those in Great Britain who had to make the main great decisions, which the vast majority of Britishers look back upon with pride, were the products of those schools he has derided. Baden Powell who has done more good to the youth of the world than any one individual was at Charterhouse, Roberts, Plumer, Methuen, Allenby, all were at public schools.

The public schools had, however, no chance of producing Admirals, as "Plebeian" suggests who at that period were all products of the training ship Britannia: which was responsible for the initial training of 99 per cent of regular Naval Officers serving from 1914 to 1918.

"'Plebeian's' facts are a little out, here." Why ask the travelled American what he thinks of our public schools? He has nothing like them in his own country, which is not so democratic as ours, in spite of much talk to the contrary.

"Plebeian" would take all the mistakes we made, and place them on the shoulders of "an unjust and obsolete mediæval social system." He forgets that those were decisions that were right, and that, in any case, our conduct during the whole period of the Great War compares nobly with that of other countries?

Can wars be waged without mistakes? Of course not, for they are waged by human beings.

Public schools are conducted by human beings, let "Plebeian" remember. It is even possible that even he is wrong!

Would the Australians, with their strong individualistic tendencies and independent character have copied our system if it is really so bad?

Of course, a great deal of flapdoodle is talked about public schools. Generally, this is but a result of loyalty on the part of the speakers to their old school. Does "Plebeian" think that loyalty in youth is such a bad characteristic, and that the inspiration offered by great men who have gone before is so lightly to be derided?

Let "Plebeian" remember that it is not only in public schools that snobbery exists, and that there is no snobbery so great as that which exists in a small town where public school ideals are unknown.

NON-PUBLIC SCHOOL.

Nanking, June 25, 1932.

A Historical Note

To the Editor of the
"NORTH-CHINA DAILY NEWS."

SIR,—"Plebeian's" attack on the Engish public school boy must have startled Bishop Curtis who tendered his tribute as an Irishman to the memory of their wartime gallantry brought back to him by the film "Tell England."

It is unnecessary to be bitter against our public schools—they are open to all who can pass the entrance examination, pay the fees, and for whom there is accommodation. The fact that Winchester dates from 1387, Eton from 1441, with some even older and others born at intervals down the centuries until they now number 135 does not look like ineffectiveness. They are always open to the investigations of authority, and I believe there was a Royal Commission which delved into their methods some time in the last century.

The Empire which "Plebeian" says the public school boys lead so badly is in itself a monument to the English system of training men—leaders as well as led. Our brand of freedom is second to none—yet we achieved it without the bloody revolutions endured by the rest of the world. Does that look like the leading of fools?

There was exasperation behind Napoleon's comment on the English Army—"Lions led by Asses." In his day the memory of the great Duke of Marlborough was still green on the Continent—Ramillies, Blenheim and Malplaquet were still household words. Later General James Wolfe by strategy won Canada from the French and Clive destroyed their hopes in India. What, too, of Wellington in the Peninsula, Nelson and Howe at sea? If these be asses, give us more of them. Let "Plebeian" also remember that it was due to the brains as well as the bravery of our Navy that no one in England went hungry during the Great War.

"Plebeian" states that "for reasons which we all understand. . . ." during the War almost any public school boy could obtain a commission for the asking, and goes on to be absurd about their social standing and "Oxfordese" accent being to their advantage. They were given their commissions because as members of the O.T.C. they had had a certain amount of military training and we were hard pressed for qualified men in those early days. His further statement that "of course, possession of a commission removed half the hardships" of fighting either on land or sea does discredit to himself. A commission never yet deflected a bullet or a shell, or made the sea less unpleasant to drown in, and few indeed of those young officers ever thought or hoped that it would. In fact in 1915 a commission to many of these boys was a death warrant!

As for the world's allegedly low opinon of English public school boys—*circumspice!*—Shanghai holds a good few of them, young and old.

And to end with, here is a true story just to show the extra little bit of gilding which we hold that our public schools succeed on adding, with other greater things, to the lily of English character. During the War, the midshipman scion of an English noble house was retrieved, after an altercation with the enemy, from the waters of the North Sea, replaced on his native earth, and passed through the doors of the family castle in the midnight hours of that same day before the news of the engagement had been announced, giving stern orders as he walked upstairs to bed that no one was to be roused from their slumbers to welcome him. The next morning when the excited family gathered round their restored treasure with cries of "Darling, why *didn't* you wake us up?" the hero nonchalantly replied, "Well, I didn't want to disturb Mother."

SOUTHRON.

Shanghai, June 27, 1932.

PIECE GOODS IMPORTS

Margins with Orders

To the Editor of the
"NORTH-CHINA DAILY NEWS."

SIR,—I am not a Piece Goods Importer, but having full knowledge of the repercussions which the present system inflicts on British and Continental Manufacturers, I would like to associate myself with the efforts, which I understand, are now being made to place this business on a sounder basis.

It is common knowledge that a considerable majority of Importers, are solid in their desire, to establish a system, which would involve the payment of a margin, with every order placed. The procedure which has hitherto prevailed, in effecting sales to Chinese dealers, in both the Piece Goods and allied trades, has been reduced to a state of absolute absurdity.

Shroffs bring in orders, involving commitments of thousands of pounds, to cover a seasons trade. That business is accepted by Importers, in good faith, but in circumstances, which can only be described as sheer lunacy. Frequently, the stability of the dealer is unknown, and only the Compradore's word can be taken, as to whether the business is desirable or not.

Often when the cargo arrives—the dealers have either fled or never existed and it remains then, for the Compradore, to get his firm out, with as little loss as possible. Generally, the Compradore secures a profit, while the Importer shoulders a heavy loss.

Pages could be filled, with instances of the disadvantages which the Importer has to contend with, under the present system, and it seems certain, unless something is done, to counteract the bogus or unstable dealer, that practically all Foreign Importers will give up the import of this dangerous merchandise.

In England, we have a similar pest i.e. the "Long Firm Fraud" but fortunately, the activities of this fraternity cannot go on indefinitely—the promoters, generally finish their careers in gaol. The present system in Shanghai, involves both Importers and Suppliers, in heavy, and altogether unnecessary losses. Cargo arrives and dealers make the most fantastic claims, on the slightest pretence and with commendable calm, will inform the Importer, that unless the claim is paid he will not pay the duty. The Importer has nothing at all in hand, to protect him, against bogus traders, and there is no redress, whatever the circumstances

The draft arrives in due course, and has to be accepted. Involved in these transactions, is the Supplier, the Importer, the Banker and the Dealer. The Banker is in the same category as the Dealer, in that, he takes no risk whatever.

If the Drawee does not (or eventually cannot) pay, the Drawer has to. In the interim, the dealer will have bade the Importer, a fond goodbye. Could anything be more ludicrous?

A correspondent recently appealed to the Banks to come into line, in this scheme of margin, and I understand the situation is being considered. Some carefully planned action, by the Banks, will mean the salvation of many honourable Foreign Import Firms. It will have the effort of driving the scum to the bottom, instead of allowing it to float on top, and out of it all, should emerge, the better class and more financially sound dealer, who will be able to carry on his business, without the menace, of the scum referred to. I wonder how much business these dealers would

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do, were they dependent upon the Banks, for credit facilities. I venture to suggest, precisely—none. Why then should the unfortunate Importer, be left at the mercy of such a system?

The type of dealer which constitutes the menace, is at the moment, in dire circumstances. Events of the past several months have driven him to desperation, and his only means of extricating himself is by obtaining very considerable concessions from Importers, in order that he may survive.

If he fails in his efforts at self preservation, he merely opens another establishment at a convenient distance.

The present is therefore the time to strike, i.e. when the menace is least able to withstand the blow, in the shape of margins. I cannot imagine any Banker, (except with a contorted mentality) getting pleasure out of the knowledge, (which they undoubtedly have) that Importers are in continuous difficulties, due to this pernicious system of trading. It seems to me, that the Banks should now respond, to the almost universal appeal, to insist on margin, with every credit. Who pays the margin is of little consequence, but if it does not come out of the dealer, those Importers, who elect to advance it, should soon become acquainted, with that salubrious district—Ningpo.

SAFETY FIRST.

Shanghai, June 24, 1932.

FREE TRADE PRINCIPLES

At Last!

To the Editor of the
"NORTH-CHINA DAILY NEWS."

SIR,—It is with the greatest satisfaction that I read in your paper of yesterday morning that some states have regained at last sufficient energy to withdraw themselves from the intoxicating influence of the sometimes effervescent but generally stunning verbosity of the countless conferences held in Europe.

Words, words and words, but no results so far! And in the meantime the insurmountable tariff barriers are dividing the peoples more and more and are ruining the world's industries and trade.

After England giving up its free-trade principles, Holland remained the only country where free trade is still practised to some degree. To some degree, as by contingenting its imports as a defence against dumping, it is sacrificing a part of the freedom it grants to trade and industry.

This crippling of its free trade is felt as a heresy in the Netherlands, where free trade has been upheld practically since the Reformation.

That England sacrificed its free trade principles in the hope to find in protection a remedy against its sliding down towards a lower level of wages and incomes, was a great blow to Holland. But instead of being discouraged by that adversity it stuck to its guns and the result is that a freer trade and a breaking down of the tariff walls is commencing in the form of an agreement with Belgium and Luxemburg, around which agreement already a possible joining in by Scandinavia is crystallising.

And the door is left wide open for other Nations to show their goodwill and co-operation!

The small Powers in Europe show the world that salvation from the present deplorable conditions can only be reached by harmonious actions and not by hypocritical conferences, whither everyone goes with the idea of sacrificing nothing, but exploiting the others as much as feasible.

Stop all conferences of the kind we have had so far! Stop talking! Stop wasting money on diplomatical bull-fights! Start practising what has been preached over and over again!

Show in a tangible way, in actions, that the wish to come to a solution is sincere and not hypocritical.

The smaller Powers left the door open for others to join.

Do not think of raking in as much as possible! Come with sacrifices! And the results will be astounding.

The sacrifices will not be so heavy. Only the giving up of principles which have proved themselves to be obnoxious to every party concerned. Do away with diplomatical smartness, international greed and the stupidity assuming that the world is still consisting of parts independent of one another and inimical towards one another.

That the smaller Powers are right in working out their own salvation and in not expecting anything from Conferences shows the latest news about the Conference of which so much was expected.

Smart and eloquent diplomats have taken the lead and there you are—derailed again!

I congratulate Belgium and Holland for their action, independent of Lausanne, and I sincerely hope that their example may lead to what we are all wishing for.

Would only England also enter through that door left open! With such a support of the action of the smaller Powers, success should be accelerated and the return of prosperity could be expected again at last.

NETHERLANDER.

Shanghai, June 22, 1932.

HIGHER TELEPHONE RATES

A Plea for Caution

To the Editor of the
"NORTH-CHINA DAILY NEWS."

SIR,—Of course there will be higher telephone rates, but isn't the Company in rather an undignified hurry to rush things through the two Councils, without first giving the general public (from whom, be it remembered, the Company obtains its franchise) a chance to properly sum up the position? Or is the haste on the part of the Councils themselves, for some reason?

The new Telephone Franchise has only been running for less than two years, and already the Company is squealing out that it cannot make sufficient profit out of the monopoly which it fought so hard to obtain, and which it secured on practically its own terms.

It was freely suggested at the time that the Telephone Agreement was to all intents and purposes drafted by Mr. Gill and his colleagues, and if they went astray in their figures, the monopoly has still another thirty-eight years to run in which they will have plenty of time to get their full measure of profit from the deal.

Surely, before any consideration is given to an application for rates higher than the Anson figures (which, be it noted, have suddenly been found unworkable!) the Company's full Report for the past period, showing clearly its capital expenditure and all other details, should be made public. As trustees for the community the Councils have no right whatsoever to rush these increased rates through, and unless care is exercised by those concerned, the manner in which the whole matter is being handled may appear to deserve some measure of criticism; certainly the two obviously Company-inspired pronouncements which appeared in the press last week-end are by no means calculated to inspire public confidence.

The supplementary agreement given by Mr. Gill (reference to which is very carefully avoided in the said pronouncements) over-rides Clause 13 to which such prominence is given, and the obligation on the Company is, very definitely, to provide at the following rates:—

a. Until completion of conversion to the automatic system (i.e. 26th March, 1932.)
At Current Rates.
b. For the next three years thereafter (i.e. until March, 1935.)
At Anson Rates.
c. After expiry of that three year period (i.e. after March, 1935.) Such higher rates as may then or subsequently be found necessary to provide the agreed return on the capital invested.

As I see it, the Franchise Agreement leaves no room for any quibbling by the Company, nor is there any adequate reason at this early date why the Councils should anticipate or go beyond the provisions of the agreement out of any anxiety to provide the Company with certain profits. There was never at any time an idea that a ten per cent. return on capital was guaranteed from the start, and as I have said above, there is ample time in the remaining 38 years for the Company to extract its full pound of flesh. And it may be taken for granted (if the history of Shanghai's public utility companies is any indication) they will undoubtedly do so!

That some people regard the Company's immediate prospects as none too bad is evidenced by the rise in the Fifty Taels shares to 66 last year and the fact that they are in considerable demand again now at 53½ or better. That rather indicates hopes of an early dividend, even though the Company claims to be losing money!

JOHN ENGLAND.

Shanghai, June 19, 1932.

CUSTOMS SEIZURE

The Mote and the Beam

To the Editor of the
"NORTH-CHINA DAILY NEWS."

SIR,—Anent the seizure of the Customs funds by the so-called Manchukuo Government. Why all this blather about the heinousness of the present occupants and their advisers? Is it not all to the good that Manchuria—sick as she assuredly has been during the last two decades owing to the extortions of the then reigning vampires—should now be placed under a steady Government either controlled or advised by a country like Japan?

From now on the bondholders and other creditors will receive their dues and the people will benefit by a steady currency and a freedom from excessive taxation, extorted for nothing other than to carry on further warfare, to the ultimate benefit of a body who have hitherto done nothing less than exercise a spirit of squandermania.

The Minister of Finance endeavours to make capital out of the expected loss and greatly fears a collapse. Before this fear arose did he give any idea of carrying out the Chinese Government's solemn promise to place the Tientsin-Pukow bonds as a first cost on the Customs revenue as soon as likin was abolished? Not at all and why should he? Seeing that bondholders, having lent their money, are now a spent force, spent in more ways than one.

It is generally believed that the Tsin-Pu receipts for a long period, were disposed of in a mysterious way. I, with many others, would welcome any power that engaged to take over a district and with it give as good a guarantee as do the Japanese about paying off all legitimate debts.

"ANOTHER BONDHOLDER".

Shanghai, June 23, 1932.

MATA HARI

A Netherlander's Comment

To the Editor of the
"NORTH-CHINA DAILY NEWS."

SIR,—With reference to the letter of R. d'A. de R, in your paper of this morning, I beg to inform you as follows:

(1) Mata Hari is a Malay word meaning: Eye of the day—the Sun.
(2) The woman in question was a Miss Margaretha Zelle, born at Franeker in the province of Friesland; her father was there a pharmacist.
(3) She married a Captain of N.E.I. army—McLeod.
(4) Mrs. McLeod developed a passion for dancing in Paradise appearance pretending that to be a demonstration of the Oriental Art of Dancing. Her husband, quite naturally, objected thereto but without avail. Her continued performances at Bandoeng-Java, the centre of the high military authorities, became an obstacle to her husband's remaining in the Army, and it is reported that in despair he gave his wife a thorough whipping (referred to in the cinema bombast).
(5) Divorce.
(6) Drifting away further down into dance-land.
(7) Turning spy in France.
(8) Found out and shot.
(9) No Netherlander has ever had one word of excuse for that woman. Had she turned spy for her own Fatherland, any amount of excuses should have been found, but becoming a paid for spy in the service of others is too degrading even to be executed by rifle fire.
(10) Choosing Mata Hari's actions as a subject for a film is one more proof of the primitive taste so often demonstrated in Hollywood music, singing, dancing and cinema.

NETHERLANDER.

Shanghai, June 21, 1932.

The Bald Facts

To the Editor of the
"NORTH-CHINA DAILY NEWS."

SIR,—As the life history of Mata Hari has excited considerable interest in your correspondence columns, I venture to make the following contribution:—

Mata Hari was probably the most notorious of the many known women spies in the Great War.

Her real name was Margaret Gertrud Zeller, better known as Mata Hari ("Eye of the morning").

Her father was a Dutchman who while in the Dutch East Indies married a Javanese woman. He brought her home to Holland and there the daughter became known as an exponent of a form of voluptuous oriental dancing that was new to Europe at that time. When she was about 20 she married a Dutch naval officer of Scottish extraction named MacLeod who divorced her.

In July 1915 she was fulfilling a dancing engagement in Madrid when information reached England that she was consorting with members of the German Secret Service and might be expected before long to be on her way back to Germany via Holland.

This actually happened early in 1916. The ship put into Falmouth and she was taken by the British authorities to London where after lengthy investigations she was sent back to Spain.

Not long after she had returned to Spain she was captured on the French side of the frontier with compromising documents upon her. She was taken to Paris, tried and on the 25th July, 1916, condemned to death and on the 15th October she was taken from Saint Lazare prison to Vincennes for execution.

G. H. WRIGHT

Shanghai, June 27, 1932.

NEXT TO YOURSELF

A. B. C.

IS BEST FOR HOT WEATHER!

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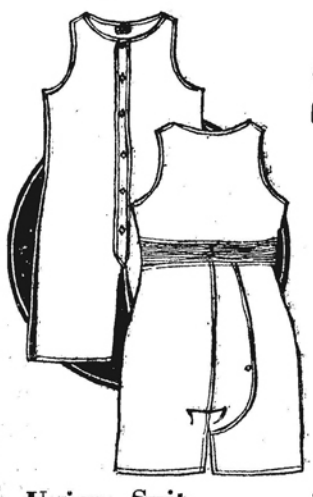

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SPORTS AND PASTIMES

THE SHANGHAI LAWN TENNIS LEAGUE

The Chinese Tennis Club opened its league campaign on June 22 and scored a sweeping victory over the Shanghai Cricket Club, securing every one of the fifteen setts played in five double matches.

Gordon Lum, the Chinese Davis Cup player, was paired with Guy Cheng in the first doubles and they triumphed over L. J. Coulcher and H. H. Nash by 6-3, 6-0 6-1. The Chinese did not have an easy time and were held tight in the early stages. It was not until the fifth game that the winners broke away to outplay their opponents. Paul Kong, another Davis Cup player, and D. K. Yui, the 1930 Shanghai junior champion, had a big scare when Godkin and Forbes put up stiff opposition and were on the verge of victory on several occasions, but they failed at crucial moments. The scores were 8-6, 6-4, 6-4, which is enough to indicate the closeness of play. E. S. Giles and K. R. Woolley gave T. K. Liang and K. Y. Tu a good match which ended at 6-4, 6-3, 6-1.

The other two encounters, brought two comparatively easy victories to the Chinese. The results were:—C. T. Kuo and C. J. Wu beat B. Carlton and C. S. Cheetham, 6-0, 6-3, 6-2; S. K. Voong and M. C. Sung beat L. F. Payne and A. Chisholm, 6-4, 6-2, 6-2.

The British Garrison Tennis Club made an auspicious entry into local league tennis on June 21, when they defeated the Waterworks Tennis Club, at Kiaochow Road, by eleven setts to four. Play was of a very high standard, and many of the games were very keenly contested.

Full scores follow:—

Lt.-Col. Boyes and Lieut. Powell beat Main and Pintes, 6-4, 6-4, 8-6.

Sgt. Warr and Sgt. Partridge beat Rangel and Silva, 6-3, 6-3 6-2.

Major Penney and Major Barbour lost to Stringer and Boldero, 6-2, 2-6, 6-3.

Capt. Dickenson and Lieut. Gough beat Greenalgh and Villas, 6-2, 6-2, 6-4.

S.M. Richardson and W.O. 1. Wilde lost to Wood and Collaco, 2-6, 2-6, 6-4.

On June 23, the Shanghai Cricket Club, lost another engagement to the Cercle Sportif Francais by a score of 9 to 6. Berents and Meise of the French Club won three straight setts from Mansel-Smith and Robson, the scores being 6-4, 6-3, 9-7. The second pairs also gave a good account of themselves when Krenov and Goulmy outmatched H. H. Nash and L. J. Coulcher by 6-4, 6-8 and 8-6. Meise and Berents played a good hard game throughout. The Recs pair failed to take proper caution and lost every sett. As for the Krenov-Goulmy and Nash-Coulcher encounter the former partnership offered stiff opposition and proved to be slightly better in work.

The other three matches saw the French bagging four setts as against the Recs' five, B. Caulton and Woolley being the ones who turned the winning team back; they won in straight setts at 6-4, 6-1, 6-4. Forbes and Godkin lost to Tavares and Fern by 12-10, 6-2, 4-6, and Piper and Lambert succumbed to the attacks of Flood and Grant, 10-8, 6-3, 7-9.

On June 25 the Chinese failed to show their usual prowess as they nearly went down to defeat, being able to bag only eight setts in a total of 15. Gordon Lum and Guy Cheng, considered one of the strongest doubles combinations in Shanghai, fell victims to Hawes and A. V. White in the opening sett at 4-6 to the amazement of the spectators. Then with a determined rally the Chinese succeeded in capturing the remaining two setts by 6-3 and 6-4. The second doubles was a clean-cut triumph for D. K. Yui and Paul Kong, vanquishing Manley and H. P. Madar at 6-1, 6-3, 8-6. However, the Recs came back strongly with the third pair when John Wade and A. A. White retaliated to beat K. Y. Tu and T. Z. Woo after a most lively fight which ended at 6-4, 8-6, 6-3.

The Recs netted further points when Kermani and Manslaw disposed of Y. P. Tsien and T. K. Liang at 6-4, 7-5, 6-3. Tsien and Liang played quite well together, but the former was off form and showed signs of lack of practice. The last doubles saw the Chinese roll up three setts. S. K. Voong and C. D. Kuo overpowering T. J. Allan and Hayward by 2-3, 6-1, 8-6.

ENGLISH WATER POLO VICTORY

London, June 25.

At Prestwick to-day, England defeated Scotland by 5 goals to 1 in an international water polo match.—Reuter.

SHANGHAI WATER POLO LEAGUE

The Foreign "Y" scored a water polo success in the league on June 23 when they defeated the British Small Units by four goals to nil, playing in their own bath. The winners scored all their points in the earlier half when the losers were guarding the shallow end and in the second half they could not add to their advantage.

The match served to bring out several new young players who are rapidly picking up the rudiments of the game.

The Rowing Club "A" team took a definite lead in the water polo league on June 24 when they defeated the "C' team by six goals to nil, the losers having hitherto not suffered a defeat. Preceding this game at the Rowing Club pool, the "B" team had little difficulty in running out winners over the Lincolns, scoring ten goals without a reply while the Police gave the East Lancs. a fright to lead by a goal before the latter were able to score four to win. The fourth game of the day took place at the Swimming Bath Club where the home team had an easy passage at the hands of the Wilts team, winning by nine goals to nil.

At the British Garrison Bath, Yuyuen Road Camp, the East Lancashire Regt. registered another victory in the local water polo league competition, their victims being the S. M. Police. The score favoured the soldiers by four goals to one, after the Police had led by the only goal scored at the interval.

Following are the standings to date in the Shanghai Water Polo League:—

	P.	W.	D.	L.	Goals. F.	A.	Pts.
S.R.C. "C"	5	4	0	1	19	8	8
1st Batn. East Lancs.	5	4	0	1	18	4	8
S.R.C. "A"	3	3	0	0	20	0	6
S.R.C. "B"	4	3	0	1	21	6	6
C.S.F.	2	2	0	0	11	1	4
S.B.C.	4	2	0	2	15	3	4
Police	4	1	0	3	6	17	2
Foreign Y.M.C.A.	3	1	0	2	7	9	2
1st Batn. Lincolns	3	1	0	2	4	14	2
Sokol	2	0	0	2	1	11	0
British Small Units	3	0	0	3	2	18	0
1st Batn. Wilts.	4	0	0	4	0	33	0

The best match of yesterday's programme of five water polo league games took place at the Rowing Club, where the East Lancs. Regt. defeated the Rowing Club "C" by five goals to one, the losers being almost as good as their opponents. The "A" team continued with its string of wins and defeated the Police by nine goals to nil while "B" put in twelve goals against the weak Sokol side. At the French Club, the Lincolns defeated the Wilts. Regt. by five goals to two, after leading by the odd goal in three at half-time. The fifth game took place at the Swimming Bath Club, where the home team accounted for the British Small Units by ten goals to nil.

Play to date has revealed that the East Lancs. side is the strongest next to the two Rowing Club senior teams and, though it was expected "C" would be able to pull off a victory, the soldiers proved too strong and won after a great tussle. The Sokol and British Small Units teams definitely were out of the picture yesterday and overwhelming scores were piled up against them. They have a lot to learn yet, but both put up a game exhibition every time they enter the water, so that they should develop before the season terminates.

SHANGHAI LAWN BOWLS

Lawn bowlers had a very full programme on June 25, with so less than four league matches and the Police Inter-Division shield knock-out competition, first round. Playing at home, the Country Club lost to the Shanghai Lawn Bowls Club "A" by 79-80; on their own green the S.L.B.C. "B" beat the Junior Golf Club by 117-53, the Club Lusitano lost to the Recs on the latter's green by 74-82; and the Hongkew Golf Club on their own green beat the Yangtszepoo Bowling Club by 86-85.

Following are the present standings in the Shanghai Lawn Bowls League:—

	P.	W.	L.	F.	A.	Pts.
S.L.B.C. "A"	5	5	0	426	328	10
Recs	4	3	1	331	219	6
Police	3	2	1	264	220	4
S.L.B.C. "B"	4	2	2	339	278	4
Y.L.B.C.	4	2	2	323	318	4
H.G.C.	4	2	2	294	320	4
J.G.C.	4	1	3	267	347	2
Lusitano	2	0	2	126	165	0
C.C.	4	0	4	256	379	0

SHANGHAI CRICKET MATCHES

On the S.C.S. ground on June 23 the British Services met in a friendly match, the Army winning from the Senior Service by the narrow margin of six runs. The game was remarkable for the low scoring. There were twelve players on each side, and the Navy, batting first, were dismissed for 53 runs only, which total the Army just topped, after a great struggle, by six runs.

ROYAL NAVY

Lieut. Armytage, c. Trowt, b. Booth	10
E. R. A. Coker, c. Trowt, b. Booth	1
Capt. Harris, R.M., b. Hocquard ..	14
L. T. Webb, b. Booth	0
Lt.-Cdr. Southern, c. Eccles, b. Booth	1
Lieut. Hughes, c. Batty, b. French	5
Lt.-Cdr. D'A. Evans, l.b.w., b. Partridge	5
Mar. Kinchin, c. Partridge, b. Spurrell	3
E. R. A. Holland, b. Hocquard ..	0
Pte. Hurley, b. Booth	5
Mid. Fust, b. Spurrell	2
S. B. A. Lawrence, not out	1
Extras	6
Total	53

Bowling:—Booth took 5 for 18, Hocquard 2 for 6, Spurrell 2 for 8, Partridge 1 for 2, French 1 for 8.

H.M. ARMY

Lieut. Eccles, b. Fust	16
Sgt. Vance, c. Hurley, b. Holland	11
B. M. Trowt, stpd. Kinchin, b. Holland	2
Sgt. Partridge, b. Holland	0
Lieut. Hocquard, b. Fust	1
Capt. Spurrell, l.b.w., b. Holland ..	0
L/c. Booth, c. Kinchin, b. Fust ..	0
L/c. Palmer, b. Fust	21
Pte. Batty, c. Evans, b. Holland..	5
Pte. Bolton, b. Holland	0
Sgt. Crompton, c. Evans, b. Holland	1
Pte. French, not out	0
Extras	2
Total	59

Bowling:—Holland took 7 for 23 and Fust 4 for 34.

Area Details v. R.A.M.C.

R.A.M.C.

Colledge, c. Ewbank, b. Thatcher..	6
Charlesworth, l.b.w., b. Thatcher..	4
Walker, b. Flood	1
Millington, c. Williams, b. Thatcher	12
Green, c. Doran, b. Flood	4
Catlin, c. Williams, b. Thatcher..	1
Coutly, c. Wetherall, b. Thatcher	0
Casson, b. Thatcher	3
Littler, c. Wetherall, b. Thatcher	3
Horne, b. Croft	11
Parry, not out	2
Extras	4
Total	51

BOWLING ANALYSIS

	O.	M.	R.	W.
Flood	6	1	14	2
Thatcher	8	0	17	7
Doran	2	0	8	—
Croft	1	0	12	1

AREA DETAILS

Croft, b. Catlin	3
Wetherall, b. Catlin	0
Thatcher, c. Colledge, b. Catlin ..	10
Ewbank, b. Littler	14
Flood, b. Colledge	12
Moore, run out	0
Williams, c and b. Littler	0
Doran, c and b. Colledge	4
Potesta, b. Catlin	0
Bowie, not out	2
Orr, b. Colledge	1
Extras	5
Total	57

BOWLING ANALYSIS

	O.	M.	R.	W.
Catlin	13	4	18	4
Colledge	6	—	18	3
Charlesworth	3	—	5	—
Littler	4	—	13	2

Recs v. S.C.C.

The first day's play in the S.C.C. v. S.R.C. match, on the former's ground, saw the home side finish in a very strong position. The Recs. now are a very weak side compared with what they were a few years ago, and indications are that the S.C.C. will score a very easy win. Batting first, the Recs. were dismissed for 114, and they have Divecha to thank for preventing a rout. The S.C.C. were 234 for 8 when time was called.

S.R.C.

S. R. Kermani, b. Elliott	0
C. J. Smith, b. Elliott	0
M. J. Divecha, not out	47
T. Madar, c. Sinclair, b. Mansel-Smith	14
S. F. Shroff, c. Sinclar, b. Mansel-Smith	0
C. J. Merritt, hit wkt. b. Mansel-Smith	14
W. H. Cochran, c. Sinclair, b. Mansel-Smith	1
H. Madar, b. Jenkins	15
E. B. Cumine, c. Simpson, b. Leach	7
J. A. Isaacs, b. Booth	1
F. Kelner, run out	6
Extras	9
Total	114

Bowling:—Mansel-Smith took 4 for 13, Elliott 2 for 29, Booth 1 for 11, Jenkins 1 for 20, Leach 1 or 32.

S.C.C.

D. W. Leach, c. T. Madar, b. Isaacs	81
P. V. Simpson, c. Kelner, b. Shroff	20
A. J. Barson, c. Cochran, b. Divecha	1
H. A. Coward, c. Smith, b. Isaacs	17
A. C. Sinclair, b. Kelner	31
W. Mansel-Smith, not out	26
R. Booth, b. Cochran	2
R. S. Elliott, b. Kelner	27
Capt. A. L. Harris, b. Kelner	0
C. E. M. Thomson, not out	14
J. C. Jenkins, did not bat	—
Extras	15
Total for 8	234

Bowling:—Kelner took 3 for 49, Isaacs 2 for 60, Divecha 1 for 26, Shroff 1 for 26, Cochran 1 for 31.

The Reserves' Match

On the Recs. ground, the S.C.C. second eleven played the home club second string, the visitors winning very easily by 110 runs. The visitors hit up 202 runs, to which the Recs. could furnish no better reply than 92.

S.C.C. 2ND XI

H. Rogerson, c. and b. White, A. A.	75
A. L. Piper, c. Kermani, b. Shroff	10
E. G. Gardner, c. Cooper, b. White, A. A.	9
C. Knight, stpd. Baker, b. White, A. A.	12
H. J. Cook, c. Aldeguer, b. Inwood	16
R. A. Joscelyne, b. White, A. A. ..	14
F. Lane, c. Kermani, b. White, A. A.	5
W. H. Findlay, c. Baker, b. Shroff	25
E. H. Anstice, not out	12
A. Lingard, c. Baker, b. Shroff	8
H. A. Crickmer, b. Shroff	6
Extras	10
Total	202

Bowling:—White took 5 for 39, Shroff 4 for 53, Inwood 1 for 3.

S.R.C. 2ND XI

H. B. Cochran, b. Crickmer	7
N. H. Baker, b. Anstice	22
A. A. White, run out	5
A. V. White, b. Anstice	1
R. F. Shroff, c. Rogerson, b. Anstice	14
F. R. Kermani, c. Lingard, b. Crickmer	0
A. C. Cooper, c. Lane, b. Anstice ..	8
T. J. Aldeguer, b. Anstice	4
A. Inwood, l.b.w., b. Anstice	0
J. E. Logan, not out	19
A. A. White, stpd. Gardner, b. Anstice	10
Extras	2
Total	92

Bowling:—Anstice took 7 wickets for 30, Crickmer 2 for 16.

Police v. Devonshire

On the Police ground, the S. M. Police played a friendly match with H.M.S. Devonshire, the homesters winning easily by seven wickets.

H.M.S. DEVONSHIRE

E. R. A. Coker, c. Barton, b. Bailey	0
L/T Webb, b. Bailey	7
Mar. Kinchin, b. Bailey	1
E. R. A. Holland, b. Bailey	0
Mid. Jenner-Fust, not out	36
A. B. Hilton, b. Bailey	5
Lt.-Cdr. Woods, run out	1
Lt. Saunders, R. M., b. Gavenlock	0
E. R. A. Davey, b. Gavenlock	2
A. B. Warren, b. Gavenlock	0
Mar. Prothero, b. Bailey	6
Extras	9
Total	67

Bowling:—Bailey took 6 for 15, Gavenlock 3 for 7.

POLICE

C. T. Eager, b. Jennerfust	12
F. Bailey, l.b.w., b. Jennerfust ..	0
W. Read, c. Holland, b. Jennerfust	2
A. C. Barton, not out	77
B. B. Boddy, b. Holland	47
P. Edmunds, not out	13
E. T. Gavenlock, N. C. Stephenson, H. Booth, and E. R. Eynstone, did not bat	—
Extras	5
Total for 4	156

Bowling:—Jennerfust took 3 wickets for 25, Holland 1 for 48.

AMERICAN COLLEGES BOAT RACING

Poughkeepsie, N.Y., June 20.

California's powerful crew to-day won the annual intercollegiate rowing regatta, in 19 min. 55 sec., or 1 min. 19§ sec. under the existing record. The course was four miles in length. Cornell rowed second and the University of Washington third. Cornell were second last year, when the Navy won. To-day's was the second California victory in the history of the contest, which started in 1889. Cornell has won 20 times, Syracuse five times, Columbia and the Navy four times, and Washington and Pennsylvania three times.

Syracuse won the freshmen's race to-day, with the Navy second and Cornell third. The winning time was 10 min. 59 sec. In the junior race, Syracuse won in 15 min. 41 sec., followed by California and Navy.—United Press.

New London, Conn., June 24.

Harvard's 'Varsity crew to-day upset forecasts by defeating the heavy and powerful Yale carsmen by three lengths in their annual four-mile race on the Thames river. Yale, whose crew averaged 185 lb., had swept through a season of victories including wins over Massachusetts Tech, Columbia and Pennsylvania, achieving a name as a steady "rowing" type of crew while the lighter Harvard men were of the faster "racing" type, admittedly able, but not expected to be able to stand the grind so well as their larger opponents.

Yale's freshman crew defeated the Harvard freshmen.—United Press.

SHANGHAI BASEBALL RESULTS

With the sun shining its brightest and the ground dried to a spongy softness, baseball enthusiasts at last had a chance to see two good games on June 22 without the usual terror of rain threatening every inning. The ever-victorious Fourth U.S. Marines increased their lead as undefeated top-notchers in the Shanghai league by taking the U.S. Navy into camp by 5 to 3, while the second place 31st U. S. Infantry held their position by defeating the Shanghai Amateurs by 9 to 3 in an eight inning game.

On June 23, the Navy defeated the 31st U. S. Infantry by one run, 8 to 7, and the Shanghai Amateurs were swamped by the Navy to the tune of 6 to 1.

Marines Beaten

Upsetting all calculations, the Bears of the 31st Infantry came through to defeat the Marines in the first game, 9-4 on June 24 while the Amateurs suffered defeat 4-2, at the hands of the Navy.

The Fourth U. S. Marines clinched all right, title, and interest to the baseball pennant in the first half of the Shanghai League, on June 25, when they defeated the Navy by 7 to 3 and placed themselves beyond any chance of being caught by any of the other three teams, although they still have one more game to play with the Shanghai Amateurs. The 31st Infantry also were conceded a victory when they took the Amateurs into camp by 6 to 1 in a rather slow game which followed the match between the sailors and the Marines.

The game between the Navy and the Marines proved to be a very interesting affair after the first three innings were over, as both sides settled down to close play, with the Navy doing most of the scoring. The sailors completely blew up in the first part of the game and for a while it looked like a walk-away for the Marines, as they scored three runs in the initial frame, one in the second, and three more in the third. From then on, Keck, the Navy hurler, settled down and held the Marines scoreless, the sailors in the meantime garnering two runs, one of which was earned.

Amateurs v. Infantry

The features of the clash between the Amateurs and the 31st Infantry were the spectacular and surprising twilling of Ellis, normally a first baseman, and a round trip blow by Neprud in the eighth inning. For some unaccountable reason, most of the Army team failed to show up, and Ellis asked for and received the pitching assignment. He held the Amateurs to three hits, and prevented them from scoring until the eighth, when a four-ply sock by Neprud averted a shut-out. Ousha started on the mound for the Amateurs, but was driven from the hill in the second inning, the doughboys by that time having a substantial five-run lead. Wever finished the game for the Shanghai team, and kept his opponents' hits well scattered, allowing them to score only once. Infantry 6: Amateurs 1.

WARNING TO SPORTS SPECTATORS

London, June 20.

Those who look on at sports do so at their own risk, is the finding of the Court of Appeal, who to-day allowed the appeal of the Brooklands Auto Racing Club against a jury's verdict and judgment for £988, entered by Mr. Justice MacCardie in favour of Lieut. Christopher Hall, of Bradford-on-Avon. Lieut. Hall was injured when an accident occurred during a 24 hours motor race at Brooklands, when two spectators were killed.

Lord Justice Scrutton, presiding over the Court of Appeal, said in his judgment that a spectator at Lords cricket ground took the risk of being hit by the cricket ball: he did not expect a structure to be erected for his protection.

Lord Justice Greer concurred in allowing the appeal. He remarked that spectators at the Derby could not expect protection against a horse who might run in among them.—Reuter.

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CHINESE Y. M. C. A. WIN SPORTS

The Chinese Y.M.C.A. won the athletic meeting with the Fourth U.S. Marines, at the Pioneer Field on June 25, by a total score of 104 to 68. By virtue of this overwhelming victory, the Chinese avenged a defeat they recently suffered at the hands of the Marines in the meeting held under the auspices of the Navy Y.M.C.A.

Two China records were broken. The new marks were made by Hudson and Swank, the former throwing the javelin a distance of 154 ft. 2½ in. while the latter, who is the best individual star of the U.S.M.C., cleared the bar in the pole vault at 11 ft. 9½ in. The times recorded in the rest of the twelve events on the programme were up to local standard and the meeting was highly successful.

C. H. Wong, captain of the winning squad, was the high-point man, bagging four seconds with a sum of 16 points to his credit. Gallantine was second when he captured one first and one second.

The Chinese ran away at the beginning, when Dick Townsley was beaten in the 100 metres by two Chinese and one team-mate. He got off to a poor start after having beaten the gun once. In the 200 metres, he was again outpaced by Allard, a fast Rugby player.

The most exciting race was the 1,600 metres. "Sunny Boy" Sugden won the race after a gruelling fight. Sugden led at the beginning but in the second round C. S. Tung overtook him. The latter held the lead up to the last fifty metres, when Sugden came up with a desperate spurt.

The results follow:—

100 metres:—1, T. T. Hoh; 2, C. K. Chen; 3, Allard. Time: 11⅘ sec.

16 lb. shot Put.—1, P. C. Chen; 2, Gallentine; 3, Traylor. Distance: 36.7 ft.

400 metres:—1, Brown; 2, T. P. Ho; 3, Bridges. Time: 53⅘ sec.

Discus Throw:—1, Gallentine; 2, C. H. Wong; 3, Warwick. Distance: 11.8 ft. 3½ in.

High Hurdles:—1, T. H. Hsiao; 2, Y. Tsao; 3, Y. J. Dao. Time: 17⅘ sec.

Broad Jump:—1, W. B. Sun; 2, C. H. Wong; 3, Y. H. Lo. Distance: 20 ft. 4½ in.

1,600 metres:—1, Sugden; 2, C. S. Tung; 3, S. B. Wong. Time: 5 min 1⅘ sec.

Javelin Throw:—1, Hudson; 2, C. H. Wong; 3, P. C. Chen. Distance: 154 ft. 2½ in.

200 metres:—1, Allard; 2, Townsley; 3, C. K. Chen. Time: 23⅘ sec.

High Jump:—1, C. C. Woo; 2, C. H. Ling; 3, Y. Koo. Height: 5 ft. 7⅘ in.

400 metres Hurdles:—1, Y. J. Dao; 2, Smith; 3, W. B. Sun. Time: 1 min. ⅘ sec.

Hop Step and Jump:—1, Y. S. Loh; 2, C. H. Wong; 3, T. H. Ssia. Distance: 42 ft. 4 in.

800 metres:—1, S. S. Hsia; 2, Bridges; 3, Sugden. Time: 2 min. 2⅘ sec.

Pole Vault:—1, Swank; 2, Y. Tsao; 3, Warwick. Height: 11 ft. 9½ in.

"THE FLYING FINN'S" SUCCESSOR

Helsingfors, June 23.

During Olympic trials here today, Lauri Lehtinen accomplished the most remarkable athletic feat of many decades when he ran three miles in 13 min. 50⅘ sec. and 5,000 metres in 14 min. 16.9/10 sec. These figures upset two world records held by Paavo Nurmi, whose times were 14 min. 11⅘ sec. and 14 min. 28¼ sec.

June 27.

Paavo Nurmi, the "Flying Finn," established another new world record to-day, taking only 2 hr. 22 min. 4 sec. for the marathon (25 miles), clipping off more than seven minutes from the old record established by H. Green, of Great Britain, who, on May 12, 1913, ran the distance in 2 hr. 29 min. 29.4 sec. —Reuter.

BRADMAN IN NEW ROLE

Victoria, B.C., June 20.

Not satisfied with breaking batting records, Don Bradman has now become a demon bowler. Playing for the Australian tourists, who include Mailey, Richardson, McCabe, and Kippax, against a Canadian team to-day, after scoring 94, he took six wickets in one over. Though playing an eight-ball over, Bradman's wickets all were taken with successive balls.

The match resulted in a draw, the closing scores being:—Australians 303 for 6, declared; British Columbia 112 and 99 for seven.—Reuter.

BASEBALL IN AMERICA

New York, June 20.

NATIONAL LEAGUE

	R.	H.	E.
Pittsburgh	1	6	3
Brooklyn	2	6	0
Cincinnati	2	8	1
Boston	3	9	0
Chicago	5	9	0
Philadelphia	7	12	2

AMERICAN LEAGUE

Washington	3	5	0
Cleveland	2	9	1
Boston	4	10	1
Detroit	6	11	1
Philadelphia	18	26	1
Chicago	11	18	1
New York	3	4	0
St. Louis	1	3	0

June 21.

NATIONAL LEAGUE

St. Louis	5	8	0
New York	1	6	1
Pittsburgh	2	8	2
Brooklyn	9	8	1
Chicago	12	14	3
Philadelphia	3	9	2
Cincinnati	9	16	0
Boston	3	7	0

AMERICAN LEAGUE

Washington	8	10	0
Cleveland	3	9	0
Boston	2	9	1
Detroit	3	8	0
Philadelphia	1	6	0
Chicago	3	7	2
New York	11	12	0
St. Louis	8	12	6

June 22.

NATIONAL LEAGUE

	R.	H.	E.
St. Louis	1	2	2
New York	9	13	1
Pittsburgh	7	17	1
Brooklyn	6	13	2
Chicago	2	6	4
Philadelphia	11	15	0
Cincinnati	14	17	0
Boston	8	15	2

AMERICAN LEAGUE

Washington	2	8	1
Cleveland	11	16	0
Philadelphia	4	10	0
Chicago	9	13	0
Boston	5	7	0
Detroit	6	12	0
New York	14	14	4
St. Louis	17	18	4

June 23.

NATIONAL LEAGUE

St. Louis	1	6	2
New York	6	12	0
Brooklyn	7	16	0
Boston	8	15	4
Chicago	10	14	2
Philadelphia	16	16	0

AMERICAN LEAGUE

Boston	3	10	4
Detroit	6	10	1
Washington	6	11	0
Cleveland	1	8	1
Philadelphia	4	12	4
Chicago	3	4	5
New York	10	12	0
St. Louis	14	16	1

June 24.

NATIONAL LEAGUE

New York	6	9	4
Philadelphia	11	15	0
Brooklyn	3	11	0
Boston	0	10	2
Cincinnati	3	10	1
Pittsburgh	4	9	1

June 25.

NATIONAL LEAGUE

Cincinnati	4	7	3
Pittsburgh	5	13	1
Cincinnati	5	10	1
Pittsburgh	8	14	5
Brooklyn	5	10	3
Boston	6	11	1
New York	8	13	1
Philadelphia	9	14	1
Chicago	6	13	2
St. Louis	7	16	1

AMERICAN LEAGUE

Philadelphia	4	7	3
New York	7	8	1
Boston	7	13	1
Washington	6	10	1
Detroit	5	1	2
Chicago	10	16	4

New York, June 23.

Lou Gehrig, the lanky first-sacker of the Yankees and the hero of innumerable diamond battles, played his 1,103rd consecutive game to-day, tieing the second best major league record. He celebrated the occasion by whacking out a home run.—Reuter.

June 26.

NATIONAL LEAGUE

Pittsburgh	5	11	0
Cincinnati	0	4	1
Pittsburgh	9	11	0
Cincinnati	5	10	0
Philadelphia	4	10	1
Boston	5	10	0
Philadelphia	8	9	0
Boston	1	9	0
New York	2	9	0
Brooklyn	5	9	0
Chicago	3	7	0
St. Louis	4	7	1
Chicago	4	10	0
St. Louis	3	14	0

WORLD'S BOXING CHAMPIONSHIP

New York, June 21.

In the Madison Square Garden "bowl," at Long Island, mingled cheers and boos greeted a close decision to-night which shifted the world heavyweight boxing championship from Germany back to the United States. The bout went the full fifteen rounds. Jack Sharkey, of Boston, the winner, had an advantage over Max Schmeling, but it was so slight that many doubted whether it should have been permitted to change a world title. Schmeling's caution, and particularly his unwillingness to force the fight during the earlier rounds, cost him the decision. The battle was seldom flashy and for at least four rounds both men were strictly on the defensive.

Though finally judged the winner, Sharkey shaped badly during several rounds. He wound up with his left eye puffed and practically shut, while Schmeling's lips were cut and puffy. Neither was knocked down. One low blow was landed, by Sharkey at the close of the fourth, but it did not do the champion any harm.

"Gunboat" Smith, the referee, himself a well-known boxer of a few years ago, sided with Mr. George Kelley, one of the judges, in voting for Sharkey, while the other judge, Mr. Charles F. Matheson, voted for Schmeling. Mr. Jacobs, Schmeling's manager, declared that he had expected the decision to go in favour of the champion. "We won the fight." He shouted. "It was absolute robbery!" In this view he found few to concur, although there was a good deal of sentiment that a draw decision would not have been far from fair.—United Press.

June 21.

Although Sharkey was awarded the decision on points, many persons were of the opinion that Schmeling unquestionably was robbed of it. In the view of boxing experts at the ringside, the German won nine rounds and Sharkey four, while two were even. Although one of the judges, George Matheson, gave Schmeling ten rounds, George Kelly and the referee, "Gunboat" Smith, were in favour of Sharkey.

The crowd rose to its feet when the decision was announced, roaring with disapproval. Schmeling seemed very dazed. He stood open-mouthed, then recovered his equilibrium, walked over to Sharkey's corner and shook hands with him. Interviewed by Reuter, the German said:—"I am not greatly worried. How could Sharkey have gained the decision when he was backing away most of the time? I'll fight him again."—Reuter.

June 24.

The New York Boxing Commission to-day administered an indefinite suspension to Joe Jacobs, manager of the dethroned heavyweight champion, Max Schmeling, for loudly shouting that Schmeling had been "robbed" of the decision in the recent title battle on Long Island. The action will affect only Jacobs, Schmeling's status with the commission remaining good.—United Press.

Paris, June 25.—Twenty-five persons were injured in an automobile race at the Bois de Boulogne on June 25, when a car left the track and, breaking through the railings, ran into a group of spectators. The car was driven by Mme. Cardenos, the wife of the Councillor of the Venezuelan Legation and daughter of the President of Venezuela, Gen. Gomez. Nine victims of the accident are not expected to recover.

AMERICAN LEAGUE

St. Louis	5	6	2
Cleveland	10	14	1
St. Louis	6	11	1
Cleveland	5	9	1
Detroit	5	12	2
Chicago	1	6	3
Boston	4	11	4
Washington	8	10	1
Philadelphia	2	7	0
New York	6	11	1

The present standing of the clubs leagues follow:—

NATIONAL LEAGUE

	Won	Lost	Pct.
Pittsburgh	34	26	.567
Chicago	35	29	.547
Boston	34	32	.515
Philadelphia	35	34	.507
St. Louis	30	31	.492
Brooklyn	33	34	.492
New York	28	32	.467
Cincinnati	31	42	.424

AMERICAN LEAGUE

New York	45	19	.703
Detroit	36	27	.571
Washington	37	29	.561
Philadelphia	36	30	.545
Cleveland	36	31	.537
St. Louis	23	32	.507
Chicago	22	41	.349
Boston	13	49	209

HOME CRICKET RESULTS

London, June 20.

J. B. Hobbs, the Surrey veteran, to-day, while playing against Somerset, reached a total of one thousand runs for the season. He scored another century, this being his third successive three-figure innings.

June 21.

The Indians won another match to-day, defeating Worcester by three wickets. The Nawab of Pataudi scored 83 against his own countrymen.

The Test trial was a high scoring affair and resulted in a draw. Duleepsinhji, playing for the South, scored his third successive century, with 128, while Hammond made 130, Woolley 50, and O'Connor 51 not out. For the North, Sutcliffe had hard luck in missing his century by four runs in the first innings, but in the second innings, he carried his bat right through, contributing 110 not out. Larwood hit up 67 in short time.

Warwickshire won on the first innings at Birmingham, against Glamorgan.
Warwick 463 for five, declared (Croom 115, Santall 127 not out).
Glamorgan 194 (Paine seven for 65) and 366 for five (Turnbull 95).

At Chesterfield, against Derbyshire, Leicester took five points on a first innings lead.
Leicester 250 and 245 for eight, declared (Armstrong 113).
Derbyshire 238 (Geary six for 40) and 225 for seven.

On Fry's ground at Bristol, Notts won on the first innings against Gloucester.
Notts 387 (Arthur Staples 121) and 183 for one declared.
Gloucester 257 (Dacre 109; Arthur Staples five or 95, Sam Staples five for 68) and 161 two.

At Portsmouth, Kent won by 90 runs against Hampshire.
Kent 331 (Akers Douglas 123) and 176 for nine, declared.
Hampshire 162 (Freeman five for 69) and 255.

At Taunton, Surrey defeated Somerset on the first innings.
Somerset 205 and 360 for eight (Ingle 102).
Surrey 439 for seven, declared (Hobbs 123, Sandham 215).

The Test Trial at Manchester resulted in a draw.
South, 447 for 8, declared (Duleepsinhji 128, Hammond 130, Woolley 50, O'Connor 51 not out; (Voce five for 108), and 25 without loss.
North, 242 (Sutcliffe 96, Tate four for 56) and 307 (Sutcliffe 110 not out, Larwood 67; Tate three for 43).

At Worcester, the Indian tourists won by three wickets.
Worcester 294 (Nawab of Pataudi 83) and 210 (Amar Singh seven for 78).
All-India 297 (Nazir Ali 56, Lall Singh 52) and 209 for seven (Naidu 61, Nazir Ali 56, Lall Singh 10).

At Leyton Oxford University won by two wickets against Essex.
Essex 344 and 241 for four, declared.
Oxford 317 and 269 for eight.

The match between Sussex and Cambridge University, at Hove, resulted in a draw.
Sussex 316 and 265 for six, declared.
Cambridge 305 and 182 for four (Wilcox 112).

June 24.

On batsmen's wickets, numerous centuries were scored in the games just completed.

Sutcliffe heads the list of century scorers with 270, but the outstanding batting performance of the week fell to the credit of A. Ratcliffe, the Cambridge Blue, who scored a century in each innings for his 'Varsity against Surrey. He made 130 and 104 not out.

At Lord's Oxford won against the M.C.C. by 111 runs.
Oxford 311 (Brooke 140) and 261 (Evans 91).
M.C.C. 249 and 212.

The match between Surrey and Cambridge University, at the Oval, resulted in a draw.
Cambridge 335 (Ratcliffe 130) and 372 for five (Ratcliffe 104 not out, Hazelrigg 112).
Surrey 453 (Squires 103).

At Portsmouth Lancashire won on the first innings against Hampshire.
Hampshire 286 (Brown 91) and 320 for nine (Mead 111).
Lancashire 324 (Kennedy six for 77).

At Leeds, Yorkshire beat Sussex on the first innings.
Yorkshire 500 for eight, declared (Sutcliffe 270, John Parks seven for 99).
Sussex 259 (Bowley 90, Duleepsinhji 83) and, following on, 258 for four (Duleepsinhji 91).

Middlesex beat Derbyshire on the first innings at Derby.
Middlesex 404 (Hearne 106, Hendren 119).
Derby 243 and 337 for four (Smith 107 not out, Storer 170).

At Chelmsford Essex won by 220 runs against Warwick.
Essex 239 and 381 for eight, declared (Crawley 155).
Warwick 226 (Nichols seven for 68) and 174.

At Swansea Glamorgan beat Gloucester by two wickets.
Gloucester 245 (Mercer seven for 92) and 337 for five, declared (Dacre 111 not out).
Glamorgan 273 and 311 for eight (Turnbull 119).

The latest standings of the teams in the championship follow:—

	P.	W.	L.	1st Inn. W.	1st Inn. L.	No Res.	Pts.
Kent	12	6	1	0	3	2	107
Notts	11	5	1	3	1	1	97
Yorkshire	12	5	2	1	1	3	95
Lancashire	12	4	1	4	1	2	91
Middlesex	12	4	1	4	3	0	89
Surrey	12	3	0	6	1	2	86
Sussex	9	4	0	1	2	2	79
Hampshire	12	4	4	0	3	1	73
Leicester	12	3	5	3	0	1	64
Warwick	12	1	2	4	3	2	62
Somerset	10	2	2	0	4	2	59
Derbyshire	13	2	6	1	2	2	49
Glamorgan	12	2	5	1	3	1	48
Essex	9	2	4	2	1	0	42
Northants	10	1	4	2	2	1	35
Gloucester	10	1	5	1	1	2	31
Worcester	12	0	6	0	2	4	22

—Reuter.

ENGLAND v. INDIA TEST MATCH

The following are results of the first Test Match at Lords between India and England to date:—

ENGLAND, 1ST INNINGS

Sutcliffe, b. Nissar	8
Holmes, b. Nissar	6
Woolley, run out	9
Hammond, b. Amar Singh	35
D. R. Jardine, c. Navle, b. Naidu	79
Paynter, l.b.w. Naidu	14
Ames, b. Nissar	65
R. W. V. Robins, c. Lall Singh, b. Nissar	21
F. R. Brown, c. Amar Singh, b. Nissar	1
Voce, not out	4
Bowes, c. Nissar, b. Amar Singh	7
Extras	15
Total	264

Bowling:—Nissar took five wickets for 93; Amar Singh two for 75; Naidu two for 40.

INDIA, 1ST INNINGS

J. G. Navle, b. Bowes	12
J. Naomal, l.b.w. Robins	33
Wazir Ali, l.b.w. Brown	31
C. K. Naidu, c. Robins, b. Voce	40
S. H. Colah, c. Robins, b. Bowes	22
Nazir Ali, b. Bowes	13
K. Palia, not out	1
Lall Singh, c. Jardine, b. Bowes	15
Jehanger Khan, b. Robins	1
Amar Singh, c. Robins, b. Voce	5
M. Nissar, b. Voce	1
Extras	15
Total	189

Bowling:—Bowes four for 49; Voce three for 23; F. R. Brown one for 48; R. W. V. Robins two for 39.

With a lead of 70 runs on the first innings, England went in for their second knock. Sutcliffe and Holmes opening. The start was not promising. When he had reached 19, Sutcliffe was sent back to the pavilion, caught by Naidu off Amar Singh (30 for one).

Woolley filled the vacant, but was soon separated from Holmes, who was bowled by Khan for 11 (38 for two). Woolley then had six.—Reuter.

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C.J.C. RESUMES RACING

Unlike the I.R.C. at Kiangwan, the Chinese Jockey Club were not compelled to engage in extensive rebuilding and repairs when they re-entered into possession of their course and stands after the early spring excitements. The unsightly, uncomfortable, and entirely inadequate stands are just as they always have been, but an ingenious rearrangement and subdivision at last has given the members (who hitherto have been the worst off) something moderately good in the way of grand stand accommodation.

The Stewards also have installed the Kiangwan pattern of starting gate, which was used for the first time on the junior course on June 25. This gate has not proved particularly satisfactory in working, but it is better than the Shanghai variety, and even the latter is to be preferred to the old-fashioned starting methods to which the C.J.C. has clung so tenaciously.

SATURDAY, JUNE 26.

1.—THE C.J.C. 106th NOVICES RACE. For C.J.C. Griffins of 1931 ("Y" Class) being Maidens. 7 furlongs.
ZEPPERPLANE (Plane') 149 lb. .....P. L. Jui 1
ENVOYSHIP (Ed. Sheng') 152 lb. .....H. M. Pih 2
ALEUTIAN PLAIN (S. C.') 158 lb. .....C. P. Chang 3
Won by a half-length; a neck.
Time, 1 min. 51⅘ sec.
Win, $16.60. Places, $10, $8.

2.—THE MARTABAN PLATE. For C.J.C. Sub-Griffins of 1932. 1 mile.
FAIRY STAR (Fairy') 155 lb. .....Y. S. Chang 1
LAY (Y. K. & Co.') 155 lb. .....I. E. House 2
STRAIGHT A (Chang Zeng-nee') 152 lb. .....T. M. Collaco 3
Won by 2½ lengths; the same.
Time, 2 min. 07⅘ sec.
Win, $19.20. Places, $7.20, $6.60, $12.

3.—THE BOTHNIA PLATE. For Sub-Griffins of 1931, of any Race Club of Shanghai. 1 mile.
WINCHESTER (Star') 152 lb. .....Y. K. Wouh 1
MYSTERIOUS KNIGHT (Shen') 149 lb. .....B. L. Tao 2
LAUGHING STOCK (Lincoln') 163 lb. .....F. Noodt 3
Won by two lengths; one.
Time, 2 min. 08⅘ sec.
Win, $36.20. Places, $8.20, $49.20, $8.20.

4.—THE CARPENTARIA PLATE. For C.J.C. Griffins of 1931 ("Y" Class) that have not won more than one race during 1932. 9 furlongs.
MERRY TIMES (C. S. Mao') 165 lb. .....J. B. Lok 1
EUREKA (G. C. Shaw') 155 lb. .....T. Y. Tung 2
NEW PRINCE (V. S. Chow') 155 lb. .....H. Collaco 3
Won by a neck; a neck.
Time, 2 min. 24⅘ sec.
Win, $30.80. Places, $10.20, $9.80, $6.80.

5.—THE C.J.C. SUB-GRIFFINS MAIDEN PLATE. For C.J.C. Sub-Griffins of 1932. ¾ mile.
ABERT LAKE (Deer') 152 lb. .....F. Noodt 1
ABYSSINIAN PLAIN (S. C.') 152 lb. .....C. Encarnacao 1
SAILORSHIP (Ed. Sheng') 152 lb. .....T. W. Tsiang 3
Won by ¾; two lengths.
Time, 1 min. 32⅘ sec.
Win, $31.80. Places, $9.40, $7.40, $14.80.

6.—THE SIAM PLATE. For Griffins of 1932 ("Y" Class) that have never started in a flat race prior to May 11, 1932. 7 furlongs.
PUKOW (Y. S. Mao') 155 lb. .....P. K. Ting 1
BEAU BLONDEL (Y. & Y.'s) 158 lb. .....T. L. Wong 2
MERRY KID (C. S. Mao') 155 lb. .....J. B. Lok 3
Won by a half-length; the same.
Time, 1 min. 47⅘ sec.
Win, $63. Places, $15.20, $31.80, $13.80.

7.—THE TARANTO PLATE. For China Ponies of "Y" Class that have not won more than two races during 1932. 1 mile.
FAIRY KITE (Fairy') 158 lb. .....Y. S. Chang 1
MIDNIGHT ADVENTURE (C. S. Mao') 157 lb. .....J. B. Lok 2
KWONG HOI KEE (Jim') 157 lb. .....C. Encarnacao 3
Won by a neck; a neck.
Time, 2 min. 06⅘ sec.
Win, $8.80. Places, $6.20, $7.60, $20.20.

8.—THE LIONS SELLING RACE. For China Ponies of "Y" Class. 7 furlongs.
TIEN LAW MO TZE (Woo') 155 lb. .....Y. S. Chang 1
BON BON (Deer') 144 lb. .....F. Noodt 2
PRINCE WALBERT V (Raymond') 149 lb. .....H. C. Pih 3
Won by one length; a half.
Time, 1 min. 47⅘ sec.
Win, $17.60. Places, $10, $13.20, $11.20.
Winner entered to be sold for $600; bought in for $1,050.

9.—THE LIAO-TONG PLATE. For C.J.C. Sub-Griffins of 1932. 1½ mile.
AIRSHIP (Ed. Sheng') 158 lb. .....T. W. Tsiang 1
DIAMOND HEAD (K. Z. Zee') 152 lb. .....H. Huang 2
INVINCIBLE PRINCE (Jim') 155 lb. .....S. A. Judah 3
Won by a half-length; a head.
Time, 2 min. 42⅘ sec.
Win, $51.60. Places, $10, $8, $6.60.

10.—THE RIGA PLATE. For Griffins of 1932 ("Y" Class) that have never started in a flat race prior to May 11, 1932. 1½ mile.
FULFILMENT (Ment') 147 lb. .....H. Huang 1
MERRY DOER (C. S. Mao') 150 lb. .....J. B. Lok 2
VICEROYSHIP (Ed. Sheng') 153 lb. .....T. W. Tsiang 3
Won by ¾; a half.
Time, 2 min. 48⅘ sec.
Win, $41. Places, $13.20, $26, $12.60.

11.—THE ALEXANDER PLATE. For Sub-Griffins at any time of any Race Club of Shanghai, that have not won more than one race during 1932. 1 mile.
TEMPLE TOWER (Three of Us') 149 lb. .....F. Noodt 1
BILL MERCHANT (C. S. Mao') 155 lb. .....J. B. Lok 2
GRAND COMPANY (Sub. Co.') 152 lb. .....I. E. House, D.H. 3
ATTACHMENT II (Ment') 147 lb. .....H. Huang, D.H. 3
Won by ¾; 1½ (dead heat for third).
Time, 2 min. 06⅘ sec.
Win, $49.80. Places, $8.40, $7.40, $8, $13.20.

12.—THE LUZON PLATE. For China Ponies of "Y" Class. 1½ mile.
MOU TAN HUA (Ying Kee') 157 lb. .....H. Huang 1
MERRY THOUGHTS (C. S. Mao') 155 lb. .....J. B. Lok 2
ROYAL BEE (Elnor') 157 lb. .....I. E. House 3
Won by a neck; a neck.
Time, 2 min. 42⅘ sec.
Win, $12.80. Places, $6.60, $9.80, $11.

SUNDAY, JUNE 27

1.—THE MEXICO PLATE. For C.J.C. Sub-Griffins of 1932. 5 furlongs.
CLAUDIUS (Benjamin') 155 lb. .....A. Noodt 1
SAILORSHIP (Ed. Sheng') 152 lb. .....T. W. Tsiang 2
MEI KUEI HUA (Ying Kee') 152 lb. .....T. L. Wong 3
Won by one length; 1½.
Time, 1 min. 22⅘ sec.
Win, $408.60. Places, $48.80, $9.20, $58.60.

2.—THE MANAAR PLATE. For C.J.C. Griffins of 1931. 9 furlongs.
MERRY RUNNER (C. S. Mao') 155 lb. .....J. B. Lok 1
ALEUTIAN PLAIN (S. C.') 145 lb. .....S. C. Chang 2
ENVOYSHIP (Ed. Sheng') 148 lb. .....T. W. Tsiang 3
Won by a head; 1½ lengths.
Time, 2 min. 40⅘ sec.
Win, $9.40. Places, $6, $7, $10.20.

3.—THE CAMPEACHY PLATE. For China Ponies of "Y" Class. ¾ mile.
PRINCE WALBERT V (Raymond') 156 lb. .....H. C. Pih 1
MIDNIGHT ADVENTURE (C. S. Mao') 159 lb. .....J. B. Lok 2
LODGMENT (Ment') 150 lb. .....M. T. Yih 3
Won by a neck; two lengths.
Time, 1 min. 38 sec.
Win, $78.40. Places, $19, $7, $91.20.

4.—THE DANTZIC PLATE. For Griffins of 1932 ("Y" Class) that have never started in a flat race prior to May 11, 1932. ¾ mile.
BEAU BLONDEL (Y. & Y.) 158 lb. .....T. L. Wong 1
PARADE MORN (Morn') 156 lb. .....F. Noodt 2
ECLIPSE MORN (Morn') 158 lb. .....M. M. Sokoloff 3
Won by a neck; a neck.
Time, 1 min. 02 sec.
Win, $17.80. Places, $7.80, $9.20, $9.80.

5.—THE JAVA PLATE. For C.J.C. Sub Griffins of 1932. 7 furlongs.
TWIN LOTUS (Mr. L. L.') 151 lb. .....H. Collaco 1
LAY (Y. K. & Co.') 156 lb. .....I. E. House 2
STRAIGHT B (Chang Zeng-nee') 147 lb. .....T. M. Collaco 3
Won by three-quarters; the same.
Time, 2 min. 01⅘ sec.
Win, $29. Places, $9.60, $9.80, $16.

6.—THE PECHILI SELLING RACE. For Sub-Griffins at any time of any Race Club of Shanghai. 1 mile.
PEPPERMINT (Good') 152 lb. .....Y. S. Chang 1
MYSTERIOUS KNIGHT (Shen') 150 lb. .....B. L. Tao 2
YESTER EVE (Billey Zung') 152 lb. .....H. Collaco 3
Won by 1½ lengths; two.
Time, 2 min. 18⅘ sec.
Win, $42.20. Places, $18.80, $7.80, $18.80.
Winner entered to be sold for $200; no bid.

7.—THE ADEN HANDICAP ("A" CLASS). A Handicap for China Ponies of "Y" Class. 1½ mile.
MERRY TIMES (C. S. Mao') 159 lb. .....J. B. Lok 1
SPEEDIFOOT (Foot') 150 lb. .....V. Haimovitch 2
OLD KING (V. S. Chow') 155 lb. .....H. Collaco 3
Won by a short head; a head.
Time, 2 min. 54⅘ sec.
Win, $15.80. Places, $8, $7.40.

8.—THE ADEN HANDICAP ("B" CLASS). A Handicap for China Ponies of "Y" Class. 1½ mile.
TIEN LAW MO TZE (Woo') 160 lb. .....Y. S. Chang 1
BON BON (Deer') 152 lb. .....F. Noodt 2
LUNGTAN (S. S. Loh') 158 lb. .....T. M. Collaco 3
Won by three-quarters; half.
Time, 2 min. 57⅘ sec.
Win, $16.40. Places, $7.40, $8, $6.20.

9.—THE GUINEA HANDICAP. For Sub-Griffins at any time of any Race Club of Shanghai. 1 mile.
BILL MERCHANT (C. S. Mao') 155 lb. .....J. B. Lok 1
THE CAPON (M. Fukunaga') 142 lb. .....T. M. Collaco 2
TROOPSHIP (Ed. Sheng') 151 lb. .....T. W. Tsiang 3
Won by 1½ lengths; one.
Time, 2 min. 47⅘ sec.
Win, $13. Places, $8.40, $29.40, $18.60.

10.—THE PANAMA HANDICAP. For Griffins of 1931 ("Y" Class). 1½ mile.
MULTA DOCET FAMES (Peanut') 150 lb. .....F. Marshall 1
AWFUL SUN (Harry Sung') 147 lb. .....H. M. Pih 2
CHAMBERLAINSHIP (Ed. Sheng') 151 lb. .....T. W. Tsiang 3
Won by four lengths; many.
Time, 2 min. 57⅘ sec.
Win, $18.80. Places, $7.60, $13.20, $14.40.

11.—THE CENTURY PLATE. For Griffins of 1932 ("Y" Class) that have never started in a flat race prior to May 11, 1932. 9 furlongs.
PUKOW (Y. S. Mao') 157 lb. .....P. K. Ting 1
FIERY CROSS (Hen') 145 lb. .....H. Huang 2
CHAMPIONLEG (Leg') 145 lb. .....A. Noodt 3
Won by 1½ lengths; the same.
Time, 2 min. 38⅘ sec.
Win, $23.20. Places, $9, $7.60, $15.

12.—THE MISSISSIPPI PLATE. For C.J.C. Sub-Griffins of 1932. 9 furlongs.
DIAMOND HEAD (K. Z. Zee') 152 lb. .....H. Huang 1
AIRSHIP (Ed. Sheng') 163 lb. .....T. W. Tsiang 2
ABERT LAKE (Deer') 157 lb. .....F. Noodt 3
Won by 1½ lengths; one.
Time, 2 min. 44⅘ sec.
Win, $17. Places, $7.40, $16.60, $14.60.

SHANGHAI LAW REPORTS

U.S. COURT FOR CHINA

Inquest on Americans

The final chapter was written on June 24 in the United States Commissioner's Court of the double tragedy which occurred on June 17 and 18, wherein two Americans, Rodney Keeler Heim and John Martin Hansen lost their lives. Mr. A. Krisel, U.S. Commissioner, sat as Coroner and the following composed the jury:—Messrs. H. F. Payne, W. P. Hunt, Cal. S. Hirsh, T. J. Engstrom, A. F. Kimball, and W. C. Belknap.

The following verdicts were returned:—"That Rodney Keeler Heim, American citizen, came to his death at Shanghai, China, at about noon, January 17, 1932, by being murdered, death being caused by two bullet wounds, inflicted by the murderer," and "that John Martin Hansen came to his death at Shanghai, China, at about 11 a.m., on June 18, 1932, by suicide, death being caused by a self-inflicted bullet in the head."

The Coroner accepted the verdicts, thanked the jury and dismissed them from further participation in the proceedings.

Dr. George Sellett, the United States attorney, called Mr. Leo Zigalnitzky, managing director of Triangle Motors, as the first witness. He testified that he had borrowed a Taylor Garage truck for Mr. Hansen, whom he had known in business since 1928, when the latter explained that he wished to transfer some baggage from the railway station to the wharf. He provided his own licences and chauffeur. Mr. Hansen was accompanied by a young man he introduced as Mr. Heim. The witness further testified regarding the return of the chauffeur and the reporting of the case to the Bubbling Well Police Station. He identified the two bodies seen at the International Funeral Directors as those of Mr. Hansen and Mr. Heim.

Additional witnesses included the chauffeur, Zau Te-liang, who testified that, though he heard an explosion and saw Mr. Heim slump forward, groaning, he saw no weapon, and Tsang Zau, coolie at the Rue Lafayette lodging house, who explained that he heard the shot which ended Hansen's life.

Zung Ping-kung, cook-boy at the same address, told how he rented the room to the deceased, how the latter declined to give his name and insisted that he wanted to be left alone. Later, when the new lodger, groaning in his room, refused to open the door, "Master" went to inform the police. During this interval the shot was fired.

Mr. Paul Yankovsky, a detective attached to the French police force, next was called. He told of being summoned to Rue Lafayette and breaking into the room where the dead man lay. Dr. W. K. Nance who had examined the two bodies, commented on the similarity between the two cranial bullet wounds, testifying that they might have been caused by the same type of gun. He also testified regarding the amount of veronal necessary to cause death and the cocaine solution found in one of the bottles by the dead man's bed.

Mr. C. Squires, manager of Messrs. Squires, Bingham & Co., said that he last saw Heim alive, when he came into the store to settle his account. He was leaving for America in several days, inasmuch as some one had threatened his life. Examined by Dr. Sellett, District Attorney, witness said that Heim had not mentioned the name of his potential assailant. Miss Mary Suhoff, Asia Realty Co., said that she was seated at her desk as both Hansen and Heim passed. She was not personally acquainted with the former, but heard him say to Heim, "I'll get you somehow," whereupon Heim retraced his steps to her desk and said, "You heard him threaten me. I want you to remember it later to prove it." (Witness acquiesced to his suggestion. She understood it as a threat.

Mr. H. C. W. Pedersen gave evidence of identification of both bodies and said that he saw them together, shortly before they began the fatal journey. Apparently they were on good terms at the time, although previously Heim had told him that he was afraid of Hansen.

Det.-Sub-Inspr. Widdowson, attached to Bubbling Well station, who has had charge of the case, briefly reviewed the finding of both bodies, and, continuing, said that on Saturday morning (June 18) he had the earth excavated from under where Heim's head had rested. Coolies dug a hole two feet deep and the earth was brought to Bubbling Well station, where it was washed and sifted. A flattened bullet was found. This he sent to the Municipal Police Arms Identification Bureau, as later he did the cartridge case, which was picked up in the room where Hansen shot himself.

Equipped with a series of photographs, the results of his examinations, and parts of a pistol, Det.-Sub-Inspr. Bonner, in charge of the Bureau, gave expert evidence on the identification of pistols by markings on bullets and cartridge cases. The pistol (Hansen's) fired the shot which killed Heim and which he used on himself. His expert evidence had been accepted by local courts in as many as from 150 to 200 cases.

SPECIAL DISTRICT COURT

Complicated Mixed Court Law

Six prisoners who were given long prison terms by the former Shanghai Mixed Court for crimes in the International Settlement were brought before the First Shanghai Special District Court on June 22 for further sentence in accordance with the arrangements made by the S.M.C. legal department with the Chinese judicial authorities. According to the old Mixed Court rules, the maximum term to be imposed upon a criminal by the Chinese Magistrate was five years' imprisonment, but, at the expiration of that period, the prisoners could be brought before the Court for further sentence. Foreign Assessors, sitting with the Magistrate, had the power to pass sentence of life imprisonment or even death.

One of the six prisoners brought before the Court was sentenced to ten years' imprisonment by the foreign Assessor of the former Mixed Court, but the Chinese Magistrate sentenced him to five years. He was given seven years' imprisonment, which term he already had served on June 22. The police will consider the question of appealing.

The other five prisoners were each sent to gaol for 15 years by the foreign Assessors of the former Mixed Court. The Special District Court reduced the term of one of them to 12 years and the four others to ten years each.

Charge Against Foreign Firm

Claiming that the responsibility for an accident caused through the negligence on the part of a driver should be jointly borne by the firm which cares to employ such a negligent driver, the R.C.A. Victor Company of China, a local American corporation, was named as codefendant in the case against Liang Foo-sun, a chauffeur employed by the American corporation, charged with negligence resulting in bodily harm to Yue Tuck-shing, the complainant. The case was heard by the Shanghai Special District Court on June 23, counsel for the plaintiff being Mr. Van Kiang while Drs. K. W. Chang and L. C. Yang, of the law firm of Messrs. Yeh & Co., represented both defendants.

The plaintiff told the Court that he was a coolie employed by the Yuen Hsun Native Bank, Nantao, and that his earning was the sole means of support to the whole family of eight. Whilst walking on Nanking Road, near the corner of Shanse Road plaintiff continued, the motor-cycle No. 117, driven by Liang Foo-sun, the second defendant, and owned by the R.C.A. Victor Company, the first defendant, ran swiftly towards him. Seeing this, plaintiff made signs with his hands and shouted to the second defendant to slow down. The latter, however, not only failed to apply his brakes but also did not swerve his car with the result that plaintiff was hit by the vehicle and both his right and left thigh bones were broken. There were also injuries on his left leg.

Continuing, plaintiff stated he was subsequently taken to the Lester Chinese Hospital where he was confined for about a month, but had not yet wholly recovered. According to the doctor, there was no hope for his complete recovery. Since the second defendant was so careless in driving that his vehicle hit plaintiff, he should be held responsible for the accident. The first defendant, who cared to employ such a negligent driver as the second defendant, should be held jointly responsible according to item 3, section 301 of the Criminal Code, plaintiff told the Court.

Plaintiff asked the Court to punish both defendants according to law and stated that he reserved his right to bring a civil suit against both defendants, claiming compensation at the rate of $30 a month for ten years, totalling $3,600.

After hearing arguments from the defence counsel, the Court ruled that the first defendant, being an American corporation, was not a proper party to be sued as a codefendant in a Chinese Court. Accordingly, the first defendant was struck off the charge sheet by order of the Court. Meanwhile, the case against the second defendant was adjourned.

Foreign Bank's Claim

An action for the recovery of 137,996 francs, equal to approximately $26,000, was brought by the Banque de l'Indo-Chine against three Chinese merchants in the Shanghai Special District Court yesterday. The defendants were not represented by any lawyer and applied for an adjournment of the case, which was granted by the Court.

The plaintiffs, represented by Dr. L. C. Yang, of the law firm of Messrs. Yeh & Co., told the Court that the defendants were directors of the Li Da Co., Ltd., a Chinese company which was organised in June, 1929, but the registration of which was not completed until October 22, 1929. The plaintiffs' claim, counsel stated arose from three drafts which were drawn by the company on a buyer in France for a shipment of raw silk to that country. The above company discounted the drafts at the plaintiff bank, but the buyer in France later went into bankruptcy and was unable to take delivery of the silk or to pay the drafts. By mutual arrangements, the silk was re-sold in France, resulting in a loss of 137,996 francs. In 1930, the Yi Da Co. also went into liquidation.

Dr. Yang continued that his clients now sought to recover the loss from the three directors of the Yi Da Co. because the latter should be held individually responsible for the payment of such loss. Counsel then gave two reasons in support of his arguments. Firstly, he stated, one of three drafts involved was drawn in August, 1929, before the Yi Da Co. had completed its registration as a limited liability company. A limited liability company, counsel contended, could only be treated as such when its registration was completed and the Yi Da Co., before the completion of its registration, was nothing but a partnership and therefore its directors should be treated as partners and held responsible for the payment of loss to plaintiffs.

Secondly, counsel said, the defendants failed to institute bankruptcy proceedings when the Yi Da Co. had lost half of its capital. The law governing companies provides that when a company has lost half of its capital, its directors are under an obligation to institute bankruptcy proceedings and their failure to do so will render themselves individually liable for the payment of the company's debts.

In H. M. Supreme Court yesterday morning, before his Honour Judge P. Grant Jones, the Shanghai Horse Bazaar brought action against Mr. C. J. White for the recovery of Tls. 150.99, alleged to be due since 1924 for the painting and varnishing of a Sunbeam motor car and for storage. An adjournment was ordered.

GENERAL Yen Hsi-shan, of Shansi, is reported by the "China Times" to be establishing a corporation with a capital of $10,000,000 for the development of the northwestern provinces.

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FOREIGN TELEGRAMS

REPARATIONS CONFERENCE

Germany's Insistance on Inability to Make Further Payments

Lausanne, June 20.

It is now abundantly manifest that there are fundamental differences between the British and French thesis as regards reparations and war debts. The French Premier, M. Edouard Herriot, made a significant statement to-day to French pressmen. He said:

"It is all very well to talk in the abstract of wiping the slate clean, but France would thus be sacrificing 37 annuities of 365,000,000 reichs marks at 5.5 per cent. while Britain would only be foregoing a mere 60,000,000 reichsmarks in annual payments."

This incomplete and somewhat misleading statement is chiefly interesting as showing the wide gulf which separates the two viewpoints, of France and of Britain. It is therefore, not surprising that things are not moving at the conference with the speed originally hoped, and after a three-hour tete-a-tete between Mr. Ramsay MacDonald, the British Prime Minister, and M. Herriot it is apparent that hopes of a settlement within ten days have been washed out.

M. Herriot has apparently come under the Rightist influences during his visit to Paris and his attitude has stiffened considerably. France, it now seems certain, will not forego easily the thought of eventual compensation and the possibility of getting railway bonds from Germany is at present very tempting.

June 21.

That America's attitude definitely links the question of disarmament with that of war debts is an official admission. She is prepared to consider monetary sacrifices if Europe disarms.

These points indicating the feeling of the United States on war debts and disarmament are said to be the sequels to the trans-Atlantic telephone conversations yesterday between President Hoover and Mr. Hugh Gibson, the chief American delegate.

The American plan for the reduction of effectives, which M. Herroit said was not acceptable, provides for an elaborate system of calculations based on area, population, frontiers, colonial commitments and lines of communication. It entails a minimum reduction of 10 per cent.

M. Herriot is reported to have said that no French Government would ever be able to agree to such denudation of strength, and that the French people would never stand for it.

Mr. MacDonald was closeted for three hours with M. Herriot this morning but no agreement has yet been reached. There is no question of France proposing the cessation of reparations payments and war debts but nevertheless she realises they are now dead.

Sir John Simon, British Foreign Secretary, attended a meeting at Geneva this morning attended by representatives of France and America. The meeting is said to have been of a very important character and it is understood that certain matters were afterwards referred to Washington whence a decision is expected later.

After the meeting Sir John returned to Lausanne and lunched with Mr. MacDonald, reporting to him on the meeting.

Later, Mr. MacDonald met Mr. Hugh Gibson at Ouchy-Lausanne when complete unanimity was reached. Mr. MacDonald approved of the American proposals made through Mr. Gibson.

June 22.

In a memorandum which was handed to Mr. Ramsay MacDonald by Baron von Neurath, the German Foreign Minister, this morning, Germany reaffirmed her inability to pay her reparations.

The memorandum emphasised the necessity of concerted action for an advance towards the solution of the economic problem.

In view of the French anxiety regarding security the memorandum suggests a consultation clause by which Germany and the interested Powers could meet in the event of any threat toward security and peace.

The French and Belgian delegates to the Reparations Conference have agreed to present a common front on the subject of Germany's debts. It is even rumoured that they have agreed that the eventual German payment should be about seven or eight milliard marks.

The British policy of a "clean slate," however, has remained unaltered, and a German spokesman has intimated that Germany will not accept the proposal that she should issue railway bonds.

It is learned that the French proposals on reparations submitted yesterday include suspension of payment of reparations by Germany for three years, deliveries in kind to be allowed to continue, and after that period of suspension Germany to agree to pay a global sum which will be divided between America and other creditor countries on a proportionate basis.—Reuter.

June 23.

Marked depression reigned in French conference circles here this morning in connection with the British memorandum presented last night to M. Herriot by Mr. MacDonald. French quarters frankly admit that the memorandum presented last night to M. Herriot by Mr. MacDonald, state the British case for wiping the slate clean and contests the French thesis that the total amount still owing by Germany under the Young Plan must be fixed by the Conference.

Furthermore, the British memorandum is understood to insist upon the vital necessity for proving to the world, and particularly the United States, that the European Powers have come to an agreement which will contribute towards the rehabilitation of the world.

The French reply was handed to the British delegation this morning and is believed to contain the French thesis that Germany must still pay a sum of between 2,000,000,000 and 3,000,000,000 marks, declaring that France cannot bargain over this matter and that her attitude must either be rejected or accepted.—Trans-Ocean Kuo Min.

June 23.

Two important projects arose today at the Reparations conference. The first was a scheme put forward by Herr von Buelow, a German delegate, for the creation of a vast customs arrangement by the extension of the suggested Danubian plan to the Great Powers.

The second was a Belgian plan to create a great German trust incorporating public utility companies whose bonds will be available for the settlement of Germany's creditors.

An important turning point in the reparations conference is believed to be marked by the interview to-day between Mr. Ramsay MacDonald and M. Edouard Herriot. In the course of the interview, which lasted two hours, the two Premiers were joined by Mr. Neville Chamberlain, British Chancellor of the Exchequer, Mr. Walter Runciman, President of the Board of Trade, and by M. Germain-Martin, French Minister of Finance, all of whom had a long talk among themselves.

The outcome of the meeting is still eagerly awaited but M. Herriot on leaving declined to divulge the purport of the conversations, which were resumed this afternoon for an hour and a half.

Finally a communique was issued stating that discussion, "which has been useful and friendly," had been suspended in order that the French delegation may consult with the German delegation.

June 24.

The Franco-German conversations adjourned at 12.45 o'clock until 5.30 this afternoon, considerable progress apparently having been made in the secret discussions between the German Chancellor, Herr von Papen, and the French Premier, M. Edouard Herriot.

"The conversations have developed a good atmosphere and a good tone," was the optimistic statement made to the United Press by M. Herriot as he left for luncheon.

It is understood that this morning's discussion was largely devoted to a lengthy and exhaustive expose of Germany's critical financial and economic condition by the Finance Minister, Herr von Krosigk.

A spokesman for the German Chancellor told the United Press that the Chancellor would make it clear to M. Herriot that Germany cannot pay now or in the future, and would reiterate the willingness of the Reich to join with France in the economic reorganisation of Europe, with political guarantees in the form of a consultative pact whereby the European nations would agree not to resort to war without first consulting other powers.—Reuter.

Berlin, June 23.

Dr. H. Luther, the Governor of the Reichsbank, left unexpectedly for Lausanne to-night in response to a request from the Chancellor, Herr von Papen. Dr. Luther was accompanied by Dr. K. Posse, Chief of the Trade Department in the Ministry of Economics who has been instructed to proceed to Lausanne by Professor Warmbold, the Minister of Economics.—Trans-Ocean Kuo Min.

Washington, June 21.

The State Department to-day issued a statement on reports concerning the inter-relation of war debts and armaments.

The statement flatly denies that the United States has officially agreed to re-open the question of war debts on condition that European nations agree to a cut in armaments.

June 22.

Despite denials, it is persistently reported in diplomatic circles to-day that Col. Henry L. Stimson, the Secretary of State, has instructed Mr. Hugh Gibson to inform the European statesmen at Geneva that if the Disaramament Conference fails, Europe may abandon all hope of the United States favourably considering debt pleas.

"If we can get the world committed to the real reduction of armaments, then we can afford to adjust international debts," said Senator Dickson, who is regarded as representing the general opinion of the Republican party.

Senator Reed, Government spokesman, said "Undoubtedly we have told Europe that talk of cancellation or reduction of war debts is useless until the real move towards disarmament is made."—Reuter.

New York, June 21.

The first shot in the national campaign to jolt Congress from the rut of uncompromising isolationism was fired to-day by Dr. Nicholas Murray Butler, President of Columbia University.

Dr. Butler declared that the United States and France must share the responsibility for the continuance and aggravation of the world economic depression.

He attacked the "political paralysis" of the Hoover administration and Congress, and demanded that an international conference, in which the United States should participate, should be convened immediately to "re-examine and readjust quickly and constructively debts, reparations, tariffs and other barriers to trade and also the world's monetary system.—Reuter.

Brussels, June 20.

A sensation was caused in political and diplomatic quarters here to-day by the unprecedented step of King Albert addressing to the Belgian Premier, M. Renkin who is now in Lausanne, an appeal for concerted action. The letter containing the plea was published here in full to-night. It stresses the imperative necessity for international action to cope with the crisis and instructs M. Renkin to get immediately into touch with all Governments which are likely to adopt a similar viewpoint.—Trans-Ocean Kuo Min.

Lausanne, June 23.

The Belgian delegation announced to-day that it had presented to Mr. Ramsay MacDonald, British Prime Minister and President of the Conference, a memorandum outlining a tentative project for the economic and financial reconstruction of Europe. The proposal of the Belgians is divided into three parts:

(1) The reorganisation of German public utilities susceptible to such treatment on a basis assuring the monetary stability of the Reich.

(2) The organisation of a credit institution probably under the Bank of International Settlements of Basle, designed to aid Central and Eastern Europe.

(3) The reform of European tariff systems so as to revive commercial exchanges, with an ultimate view to gradually lowering entry schedules.

The Belgian experts now are actively discussing with members of other delegations a scheme for the mobilisation of the world's gold resources to restore credit.—United Press.

Brussels, June 21.

Several powers have indicated their intention of joining the new agreement made between Belgium, Holland and Luxembourg for the progressive lowering of tariffs at the rate of ten per cent. annually for the next five years.

In the agreement there is a stipulation that the reductions should never fall below eight per cent. ad valorem on manufactures or four per cent. ad valorem on semi-manufactures.

Belgium intends to denounce her existing commercial treaties with countries enjoying the benefits of the "most favoured nation" clause if those countries are unwilling to adhere to the new convention and negotiate fresh treaties.

The British government is likely to await the conclusion of the Imperial Economic Conference at Ottawa before taking any steps regarding the new convention.—Reuter.

Paris, June 25.

M. Herriot's return here from Lausanne has started a wave of optimism as it is now stated that the French Premier's discussions with the German Chancellor von Papen were not limited to reparations but ranged over the wide field of economic reconstruction of Europe, including currencies, commerce and tariffs.

The exploitation of such avenues is felt to hold great possibilities as Mr. Ramsay MacDonald is known to favour such wide developments and Baron von Buelow has suggested the extension of the Danubian plan to the great powers of Europe.

Moreover, it is felt that it should not be difficult to arrange a scheme so that France ultimately is amply compensated for yielding up her reparations.

After a conference with his cabinet to-day, M. Herriot spoke optimistically of the negotiations at Lausanne and Geneva. Conversations, he said, were already bearing fruit.—Reuter.

Lausanne, June 27.

The Italian delegation to the Reparations Conference to-day made public a memorandum, in the form of a letter, submitted to Mr. Ramsay MacDonald, British Prime Minister and President of the Conference, by Signor Dino Grandi, Italian Foreign Minister, stressing the interdependence of reparations and war debts. The memorandum asserts that cancellation alone is not sufficient. "The Italian delegation is of the opinion that the monetary reorganisation on a stable basis of the currency of several countries is a preliminary condition to the recovery of European trade and the most effective means of achieving a commercial revival," it states.

It is further suggested that assistance should be extended to those countries in need through the various central banks, with the possible co-operation of the Bank of International Settlements of Basle.

"A gradual lowering of customs barriers and elimination of all of the other obstacles to the free circulation of goods" is also recommended.—United Press.

BRITISH TRADE WITH CHINA

London, June 27.

In aiming to show British activities in China with a view to their future expansion, the "Financial Times" to-day issued a 36-page supplement in which are reviewed the conditions and prospects of China and Hongkong.

In one of the editorials, it is stated that the forces which must be relied upon to integrate China are psychologically akin to those lying behind her banking and industrial trade developments. It is suggested that the wisest course would be to minimise the inconvenience of these economic changes and influence their reactions by taking advantage of such opportunities as they offer by co-operation in local and general questions, such as, respectively, the administration of the International Settlement in Shanghai, and modifying extraterritoriality.

The editorial observes that the Japanese withdrawal of her troops places the mediating Powers in general, and Great Britain in particular, in the position to take the initiative. Concurrently, it increases the feasibility of the suggestion that the technical resources of the League should be enlisted for the service of China.

In an article on the subject of Sino-British co-operation, Dr. Alfred Sze, Chinese Minister to Britain, says that China's greatest need from herself and from her friends is patience. He points out that life in China is not all chaos, and that it is unjust to admit that she has not greatly progressed in her efforts for modernisation.

No matter what the irresponsible elements in China may be clamouring for, Dr. Sze continues, what China herself sincerely desires is the friendship of England, whose technical held in works of national reconstruction and whose capital in form, credit and machinery she most earnestly welcomes.

Dr. Sze says, in conclusion, that while shaping her political destiny is China's own responsibility, her task would, nevertheless, be greatly simplified if Great Britain and the other Powers were ready to yield some of their special privileges which constitute a continuous source of irritation to the Chinese Government and the people.—Reuter.

CRITICISMS BY SENATOR BORAH

Washington, June 20.

On the floor of the Senate to-day Senator William E. Borah, chairman of the Foreign Relations Committee and one of the outstanding "drys" of the United States, declared that he will not support President Hoover in his contest for re-election if he runs on the present Republican platform. This platform, he continued, was adopted for reasons of "sheer political expediency." He declared that the Republican Party was now obviously in favour of repeal of the Eighteenth (Prohibition) Amendment to the Constitution.

The Senator's remarks were considered of the utmost significance in view of the fact that his failure to attend the recent Republican National Convention was supposed to have been due to failure to obtain President Hoover's support in his prohibition attitude, and to-day's utterance indicates an open disagreement with the Administration on this question.

The declaration followed general remarks made about the Republican platform when Senator James Hamilton Lewis, Democrat of Illinois, asked on the floor of the Senate whether Senator Borah would support the President on such a platform. "I will not" replied Senator Borah flatly.

Democrats were of the opinion that this situation foreshadowed a thorough-going split in the ranks of the Republicans on the prohibition issue.

Senator Borah, speaking in a loud voice, tore the Republican prohibition plank to verbal bits during the course of his speech. He declared that the Postmaster General, Mr. Brown, and Mr. Ogden Mills, Treasury Secretary, favoured repeal. It was after the finish of his own main talk and while he was listening to the subsequent debate that Senator Borah was asked the specific question concerning Hoover support, by Senator Lewis, in the course of a speech by the latter.

Mr. Brown later denied that he favoured repeal, and revealed that Senator Borah had himself worked on a plan for re-submission of the Eighteenth Amendment to the people, intending to offer it to the convention, but he found himself unable to discover a satisfactory method of assuring against return of the saloon.

Senator Borah subsequently said he would withdraw his statement that Postmaster Brown ever favoured repeal of the Eighteenth amendment, but he denied Mr. Brown's allegation that he has ever worked on a resubmission plan.

Mr. Mills said Senator Borah misunderstood his position. While he did not advocate the Eighteenth Amendment, he did not believe in repeal as a solution, but rather in modification.

June 21.

Mr. James R. Garfield, chairman of the committee which drafted the much-discussed Republican national platform at the recent convention in Chicago, to-day declared that in his statement opposing the Prohibition plank yesterday, Senator William E. Borah had "totally misrepresented" the G.O.P. prohibition position.

Explaining his remarks of yesterday in the Senate more fully today, Senator Borah revealed that the plank which he had intended to sponsor at the convention (which he failed to attend, because he could not get adequate backing from President Hoover for his ideas) would have demanded observance and enforcement of the Prohibition law while it remained law.

At the same time it would have called for a change in the law when voters in two-thirds of the Congressional Districts in two-thirds of the states decided on such an alteration, and elected sufficient Senators and Representatives to propose repeal.—United Press.

June 21.

Speaker Garner of the House of Representatives has now gone over to the "wets," who are rapidly gaining recruits.

Speaker Garner represents in Congress Texas of the "bone dry" south, but his statement made today favours the repeal of Prohibition which, he says, "is neither a sound nor workable policy."

Mr. Garner is seeking Democratic nomination for the presidency.—Reuter.

ANOTHER TERRORIST OUTRAGE IN INDIA

Dacca, June 27.

Mr. K. C. Sen, special magistrate from Mushinganj, Bengal, was shot dead to-day by terrorists.

Mr. Sen was sleeping in the house of Mr. S. M. Chatterjee, a sub-divisional officer at Wari, whom he was visiting. The terrorists entered the bedroom and before their victim could raise an alarm, they shot him dead.—Reuter.

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MR. HOOVER'S ARMS PLAN

Far-Reaching Proposals for Reduction of Land Forces

New York, June 22.

President Hoover has proposed the reduction of the world's armaments by one-third.

President Hoover's proposals include the abolition of tanks, chemical warfare, large mobile guns, the reduction of one-third of the strength of all land armies, the abolition of bombing 'planes and the prohibition of bombardment from the air.

Further, the reduction in treaty tonnage and numbers of all battleships by one-third. The reduction in treaty numbers and tonnage of all aircraft carriers, cruisers and destroyers by one-fourth, submarines by one-third. And finally no nation is to have over 35,000 tons of submersible craft.

In a formal statment' President Hoover points out that his disarmament proposal while reliveing other nations of greatcosts for armaments and their maintenance will also relieve a large part of the building programme now before Congress.

He says the proposal was designed to enable the United States to reach treaty strength and would not interfere with present construction or result in a reduction of personnel for three years.

He emphasises that disarmament has never been considered in connection with war debts.

The President also makes the following points:

(1) The Kellogg Pact can only mean that the nations of the world have agreed to use their arms solely for defence.

(2) Reduction should be carried out not only by board general cuts in armaments but also by increasing comparative power of defence by decrease in power of attack.

(3) World armaments have grown up in general mutual relation to each other and, speaking generally, such relativity should be preserved in making reductions.

(4) Reductions must be real and positive and must first effect economic relief.

(5) Problems of land, air and naval forces are all inter-connected. We could increase the assurance of peace and yet save the world ten to fifteen billion dollars of wasted dollars in the next ten years.

President Hoover, referring to his proposals, declares such disarmament would increase the assurance of peace and yet save the people of the world ten to fifteen billion wasted dollars in the next ten years.

It is learned in authoritative sources that President Hoover did not have the idea that the United States would act alone but only if the other major Powers accept his proposals.

It is emphasised that the proposals are not mentioned in connection with war debt reductions. It is understood that the President feels such a proposal would offend the dignity of European nations.

Official figures show that the United States could save two billion dollars in the next ten years if President Hoover's proposal is carried out.—Reuter.

London, June 22.

At a specially summoned meeting of the general commission of the Disarmament Conference at Geneva, the United States delegate, Mr. Hugh Gibson, disclosed America's disarmament proposals, which were simultaneously made public in Washington.

Mr. Gibson said he hoped the proposals, which represented the substance of instructions given by President Hoover for the guidance of American delegates, would lead other nations to state how much they would contribute to the general programme leading to real disarmament.

The statement proceeded: "The time has come when we should adopt some broad and definite method of reducing the overwhelming burden of armaments. We can still remain practical in maintaining an adequate self-defence among all nations. We can add to the assurance of peace and yet save the peoples of the world from ten to fifteen billions of wasted dollars during the next ten years.

After enumerating the principles underlying his proposals, Mr. Hoover proceeds: "I propose that armaments of the world should be reduced. I propose the adoption of the proposals made at Geneva, for the abolition of all tanks, all chemical warfare and all large calibre guns.

"I propose there should be a reduction of one-third in the strength of all land forces, and all bombing planes should be abolished from naval forces. I propose the treaty number and tonnage of battleships should be reduced by one-third. The treaty tonnage of aircraft carriers and destroyers should be reduced by one-fourth. The treaty tonnage of submarines should be reduced by one-third, and that no nation shall retain submarine tonnage greater than 35,000 tons, and no single vessel to exceed 1,200 tons."

Geneva, June 22.

The Hoover disarmament proposals came like a bomb shell in Geneva this afternoon and their profound importance was emphasised by Sir John Simon, British Foreign Secretary, in commenting "provisionally" upon them.

Mr. Hugh Gibson, chief American delegate here, made a statement in which he clarified certain points in the President's proposals. He said with reference to cruiser strength the proposed 25 per cent. reduction of total tonnage of the United States and Britain should be calculated on present London Treaty tonnage of Britain, namely 339,000 tons, while the total tonnage allowed by that treaty for eight inch gun cruisers should be limited to 150,000 tons each for America and Britain and a proportionate figure, 90,000 tons, for Japan.

Turning to submarines Mr. Gibson said under the President's proposals no nation should retain a greater tonnage than 35,000 or more than 40 submarine units of which no vessel should exceed 1,200 tons.

He added that the United States was prepared to scrap from the Navy, which was their most powerful arm, over 300,000 tons of existing ships and forego the right to build over 50,000 tons. In land material the proposals would affect over a thousand heavy mobile guns, approximately 900 tanks and 300 bomber aeroplanes. He was convinced that these very real sacrifices would find an equally generous response.

Sir John Simon, the British Foreign Minister, thanked the American delegation for bringing forward the proposals and promised a prompt examination of them, "for we are convinced that any reasonable step by which the vast total of men under arms throughout the world can be reduced in ways which do not diminish security, should be welcomed, not only for its direct value as a contribution to the world disarmament, but also because it would bring with it immense relief in financial burdens, which are crushing down tax-payers and threatening by their weight to clog and even bring to a standstill the whole of industry."

Dealing with the naval proposals, Sir John Simon said: "I entirely agree that substantial proposals in the realm of naval disarmament are required. I doubt whether the proposals just indicated are in some respects adequate and in other respects appropriate to the varying circumstances of different naval powers.

"There are not two men in the world better acquainted with the second of these difficulties than Mr. Hoover and Mr. Ramsay MacDonald. The Washington and London Naval treaties are magnificent examples of how to translate aspirations as to disarmament into actual and accurate facts, and their particular merit is that they did take into account, as far as possible, the varying needs of the different Powers.

"As for adequacy, I say boldly on behalf of the United Kingdom delegation, that in some respects we want more disarmament than here appears.

"The proposals that submarines should be retained to an individual weight of 1,200 tons appears to us to fall short of what is needed. We want submarines to be entirely abolished. If they cannot be abolished, then at least, let their size be limited to 250 tons. On the subject of capital ships, he asked was it not possible, that whatever new capital ship construction took place, instead of building a new vessel of 35,000 with 16 inch guns, to agree that a much lower limit, both in tonnage and in gun calibre, should be established."

A storm of applause such as has seldom been heard in the League of Nations building greeted the announcement of Signor Grandi, Italian Foreign Minister, who followed Sir John.

Signor Grandi said in the name of Signor Mussolini he announced Italy's complete acceptance of the Hoover proposals. He enumerated seriatim President Hoover's points and emphasised that Italy's acceptance of them was absolutely unconditional.

Sir John Simon's faint praise of the proposals was warmly echoed by M. Paul Boncour for France. His hostility to the proposals was unmistakable if covert. He constantly referred to the question of security and argued that proportional reduction of armaments would prejudice the interests of smaller states. He urged that if the Disarmament Conference discussed the Hoover proposals they must simultaneously consider the French proposals for an international force.

He declared, however, that the American proposals would receive France's sympathetic consideration.

M. Litvinoff, chief delegate of Soviet Russia, was somewhat sarcastic. He welcomed the reminder that they still were members of a disarmament conference.

The chief German delegate entirely approved of the American proposals and even suggested that they were too moderate.

Mr. Matsudaira, Japanese ambassador to London, spoke for his country. He affirmed Japan's readiness to co-operate in the examination of the proposals, which would require careful consideration with a view to ensuring, in a fair manner, the defence of the countries concerned.

About 20 smaller states represented at the conference ranged themselves with Italy and Germany in unconditionally accepting the proposals but it is generally felt that the opposition to the proposals will prove insurmountable.—Reuter.

Washington, June 23.

The practical effect of President Hoover's Disarmament plan on naval reduction will be the following:

(1) To admit the United States to a cruiser parity with Great Britain, each country to be allowed 250,000 tons and Japan 150,000 tons.

(2) The United States will scrap battleships (numbering five) totalling 105,000 tons; submarines totalling 35,000 tons; destroyers totalling 165,000 tons. She will build cruisers to the total of 33,000 tons and aircraft-carriers to the total of 9,000 tons.

(3) Great Britain will scrap her capital-ships to the total of 123,000 tons, her aircraft-carriers totalling 14,000 tons, her cruisers totalling 120,000 tons, her destroyers to the total of 82,000 tons and her submarines totalling 25,000 tons.

(4) Japan will scrap her capital-ships to the total of 88,000 tons, her cruisers to the total of 77,000 tons, her aircraft-carriers to 8,000 tons, her destroyers totalling 40,000 tons and submarines totalling 45,000 tons.—Reuter.

London, June 22.

The disarmament proposals of President Hoover have taken most people by surprise because of the degree of the suggested cuts but, on the whole, they are welcomed.

Experts in all three services, Army, Navy and Air Force, already are busily engaged in figuring out exactly the effect the proposals would have on individual and relative positions of the armed forces of all the great Powers.

The suggestions for military disarmament affect this country in several respects, especially regarding British commitments in India and the Near East. For instance, both in Iraq and on the North-West Frontier of India the bombing 'plane has been found very useful for dealing with rebellious tribes. For some years now, British military authorities have found aerial bombing more effective, cheaper and easier than the oldstyle and costly "punitive expeditions" in what they term "backward areas."

Submarine proposals, as put forward by the American President, are welcome as a step towards the total abolition desired by this country but the proposed cut in cruiser strength will cause to pause those who consider the present strength none too great for the safeguarding of what they term "British trade routes."

Abolition of chemical warfare will probably be easily acceptable to Britain but the suggestion for a cut in the strength of the army may cause uneasiness because of the defence problem in the far-flung Empire outside this island, notably in respect of India, Egypt and the Soudan.

June 23.

A bold, stimulating plan with great merits and providing the basis for action—this is the general tenor of the reception accorded by the British press to the disarmament proposal made by President Hoover.—Reuter.

Paris, June 23.

The only satisfaction the majority of the French press derives from the disarmament proposal made by President Hoover is that Great Britain, "usually so docile towards America," has displayed "lively independence," says "Le Journal." The only countries that have given unconditional support to President Hoover, it says, are those seeking a revision of the peace treaties.—Reuter.

Berlin, June 23.

President Hoover's bold and dramatic move for a drastic cut in armaments has met with unequivocal support both in authoritative quarters here and in the press.—Trans-Ocean Kuo Min.

Tokyo, June 23.

Commenting on press reports concerning President Hoover's disarmament proposal, high naval officials intimate Japan's probable readiness to support the abolition of chemical warfare and aerial bombardments of cities, also a reduction in aircraft-carriers.

The advisability of abolishing bombers, however, is doubted, while drastic cuts in capital ships and cruisers are absolutely opposed.

The military authorities appear to be sceptical concerning the workability of President Hoover's suggestions, which they consider almost as impracticable as the Soviet's proposal for the total abolition of armaments. They are inclined to doubt President Hoover's sincerity as they consider that his prime intention in making his proposal is to court favour in the presidential election.

"They are too drastic to be acceptable in toto, but are highly laudable and merit the fullest consideration."

This appears to sum up the initial reaction in official circles, though it is emphasised that the authorities have not yet had time to study them in detail. The indications are that Japan will await the reaction of the other Powers before declaring her own, though it is intimated:

(1.) That Japan's attitude will depend, to a large extent, on that of the Soviet:

(2.) That Japan's views on armament reduction are primarily from the angle of the safety of her interests in Manchuria, whereas the aspect of war debts and reparations, which is bound to influence Europe, hardly concern her and

(3.) If the naval armaments of Great Britain, America and Japan are equal, then Japan will more readily agree to the mutual reduction of one-third. It is feared, however, that Japan will be unduly weakened if her present inferior strength is reduced one-third. So far as capital ships are concerned, it is hinted that Japan might agree to their total abolition thus making all equal, although she is unable to agree to a one-third reduction, which would leave her decidedly inferior in this streught.

Lieut.-General Sadao Araki, Japanese Minister of War, in a statement made to the press to-day declared that it was impossible for Japan to accept President Hoover's disarmament proposal.

He said that it was impossible to apply an equal ratio of armament reduction to all countries, as it was essential to consider the special circumstances of each.

Moreover, he pointed out that Japan must take into consideration the unusual condition that she has as neighbours, China and the Soviet.—Reuter.

Geneva, June 23.

Apart from France and Japan, together with France's European satellites and the Little Entente, most countries may now be reckoned as supporters of the Hoover disarmament proposals.

Those in favour include Russia and China.—Reuter.

Washington, June 24.

The fate of the Hoover plan rests largely with France and Japan, declares the State Department, which has finally admitted that the plan necessarily and plainly implies that the appeals of Europe for the cancellation and reduction of debts will be ignored, if Europe fails to disarm.

It is also declared that the United States will not cut the strength of her Air Force and Navy unless the European Powers reduce their land armies.—Reuter.

London, June 24.

Reliable sources to-day said that Great Britain and the United States have reached an unwritten "gentlemen's agreement" that both will follow the same disarmament policy. Both are agreed that reparations payments must cease under present conditions, it was stated.

The foregoing is effective, however, only in the event of the failure of present conferences now in progress at Geneva (on disarmament) and Lausanne (on reparations).

June 25.

Following upon the announcement of President Hoover's declaration on Friday at Geneva and Sir John Simon's speech regarding it, the United States Secretary of State, Col. Henry L. Stimson, in a message to the British Foreign Minister, says:

"I wish to thank you most earnestly for the spirit of sympathetic consideration in which you discussed the President's proposals, and trust that our two delegations will be able, working jointly, to contribute to their fulfilment. My appreciation is all the greater in view of the shortness of time in which circumstances have necessitated your consideration of these most important questions."

Sir John Simon has replied that he is delighted to receive the cordial message, which he has communicated to his colleagues. He adds that the spirit and purpose of President Hoover's declaration are deeply appreciated in Britain, and that the British Government shall do its utmost, by seeking the largest possible measure of agreement amongst all the states represented at the Disarmament Conference, to promote the acceptance of concrete proposals covering the whole field.—Wireless through Reuter.

Geneva, June 25.

Mr. Hugh Gibson, chief American delegate to the Disarmament conference, has been having conversations with the German, Italian, Norwegian and Japanese delegations in order personally to advocate acceptance of the Hoover disarmament proposals and start negotiations.

It is understood that he has encountered continued opposition from the Japanese delegation.

The Japanese have now finished their detailed examination of the proposals and they argue that the Hoover plan is inequitable and unacceptable to Japan, particularly respecting the suggestions about land forces, battleships and submarines.—Reuter.

Washington, June 26.

Officials here do not take seriously the informal Japanese suggestion that the United States should recognise the independent Manchurian Government in return for Japanese acceptance of the Hoover disarmament proposals. The idea of recognition as the price of disarmament is not even being considered.

Mr. Hugh Gibson, chief American delegate at Geneva, has telephoned to Col. Henry L. Stimson, Secretary of State, that Mr. Matsudaira, Japanese ambassador in London and chief Japanese delegate at Geneva, is still cordial but unable to discuss the disarmament plan pending the receipt of instructions from Tokyo.

The continued Japanese silence is regarded as being a favourable omen. It is also to be remembered that the plan essentially concerns Europe rather than Japan.—Reuter.

Tokyo, June 27.

Despite the new turn of events at Geneva since the presentation of the "Hoover Plan" for one-third reduction of armaments, military circles here are still pressing for reduction of the size of the Japanese delegation.

An order is expected to be sent to Lieut.-General I. Matsui, instructing him to return shortly, and it is learned that Major-Gen. Y. Tatekawa, technical committee member, will be made a lieutenant-general soon and promoted to be chief delegate.—United Press.

Zuerich, June 26.

The Permanent Committee of the Second Socialist International today issued a manifesto heartily endorsing Mr. Hoover's scheme for a drastic armament reduction. The manifesto declares that the Socialist parties and trade unions affiliated to the International welcome Mr. Hoover's proposal as "a ray of hope cutting through the gloom" and will do everything in their power to induce their governments to accept it.—Trans-Ocean Kuo Min.

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PAPAL LEGATE IN DUBLIN

Dublin, June 20.

No King could have been greeted more warmly or reverently than was the Papal legate Cardinal Lauri when he reached Dublin to-day. He had come to attend the Eucharistic congress.

A squadron of the Free State flying corps displayed in the formation of a cross over the specially-chartered steamer that brought the Cardinal from Holyhead to Dublin.

On the quay, President de Valera was present to greet the Cardinal who, as he landed, got a royal salute of 21 guns from the Free State artillery. Along the roads, men and women of all ranks knelt reverently as the Cardinal passed to the city boundary where two imposing Irish towers have been built, standing out in glistening whiteness against a background of sea and mountain.

Wearing, for the first time, their full dress uniform of green and blue with yellow facings, Free State cavalrymen escorted the Cardinal into Dublin city where the Lord Mayor met him in a state coach, resplendent in gilt and surmounted by classical figures. This coach was given to the city corporation by William III after the battle of the Boyne and to-day was seen in public for the first time in a quarter of a century.

Thousands of people lined the route the Cardinal took for his procession through the city.

June 22.

The Papal Legate, Cardinal Lauri, to-day formally opened the Congress in the Cathedral here by reading the Pope's letter to the assembly. The proceedings were broadcast into the streets of Dublin by amplifiers as well as being generally broadcast for listeners-in.

June 23.

The city spent a sleepless night. Churches were packed for a midnight mass in connection with the world Eucharistic congress and thousands, who were unable to enter, knelt on the pavements and in the streets.

Thousands of bells rang out at the elevation of the mass and searchlights flashed messages of faith in the sky.

Searchlights, floodlights and the light of millions of candles burning all over the city and in every house made it difficult to tell when dawn arrived. Many pilgrims were still singing hymns in the streets at 4 o'clock this morning and there was a tremendous crush of people in the streets.

June 24.

The financial side of the Eucharistic congress now taking place here is a matter of interesting speculation.

The authorities estimate that there will be spent about £5,000,000 in Dublin before the pilgrims depart. Many of them are celebrating their return to their native land, after years of exile, by lavish spending.

Among the beneficiaries of their generosity are the "Jarveys," or drivers of jaunting cars. Before the congress they were almost a rarity but now hundreds have been brought out again and are doing a roaring business.

There has been a little trouble about the Union Jack, which was torn down from the flagstaff at Kingstown. The flags of many nations were flying there but the British fl ag was the only one torn down.

The chairman of the borough council of Kingstown has expressed his regret at this "gratuitous insult to thousands of English Catholics attending the congress."

The flag has since been restored to its place.

June 25.

The city to-day witnessed the most moving spectacle the Eucharistic congress has yet produced when a hundred thousand children, many of them tiny toddlers, knelt for mass before a high white and gold altar in Phoenix Park.

The Papal Legate, Cardinal Lauri, presided and afterwards walked among the children giving his blessing.

June 26.

The World Eucharistic Congress closed here to-day amid scenes of tremendous enthusiasm. Radio played a big part to-day and by this means the Pope himself in the Vatican clearly heard his Legate blessing the great multitude that attended High Mass in Phoenix Park.

A week of brilliant ceremonies ended with no less than a million people attending mass in the Park. General O'Duffy, the chief of Police, and 40,000 stewards performed very well their tremendous task of handling this immense concourse of people.

The famous Irish tenor, John McCormack, was present to sing the "Panis Angelicus" and a choir of 400 men and boys sang the service.

President de Valera and ex-President Cosgrave were two of the bearers of the magnificent canopy under which the Papal Legate rode back into Dublin after mass.—Reuter.

CONFIDENCE IN CABINET

London, June 23.

In the House of Commons to-night, the Labour Opposition brought a motion of no-confidence in the National Government but, after a long debate, it was rejected by 446 votes to 47.

The motion expressed no-confidence in the Government "which has been given a free hand to restore national prosperity but had entirely failed as shown by the steady diminution of trade."

Mr. George Lansbury, leader of the Opposition, declared that Russia was now in a much happier position than Britain.

Mr. Stanley Baldwin, Acting Prime Minister, in surveying Britain's economic position said that the tariff system adopted to correct the adverse balance of trade was on its trial. It would be two or three years, he declared, before they would know whether it had fulfilled the hopes raised or not.

Mr. Baldwin stated that although the figures for April and May were not yet completely worked out there were indications that a reduction in the unfavourable balance was due both to increase in the volume of exports and decrease in the volume of imports, particularly the latter.

In five months statistics regarding raw materials were practically stationary, whereas the value of imported manufactured articles, in spite of forestalling, was down £32,000,000.

Mr. Baldwin went on to say that despite the impoverishment of the world, it was some encouragement to Britain that through a difficult period she was holding on to her export trade. As to home trade, he said the actual volume of production had slightly increased, yet there had been an increase in unemployment figures, probably due to the appalling condition of export coal trade and to the fact that many industries were getting greater production with fewer men at work. Britain was, however, facing the blizzard better than any other country.

FUTURE STATUS OF SHANGHAI

London, June 25.

The proposal by the International Chambers of Commerce at Shanghai for a round-table conference to discuss the future of that city is warmly supported by Mr. J. S. Wardlaw-Milne, Conservative member of Parliament for Kidderminster, in a letter appearing in "The Times" to-day.

The writer emphasises that Britain is not lending herself to any scheme for forcing concessions that China would not voluntarily grant. The question of the future of Shanghai, he says, is much older than the conflict with Japan. The armistice cleared the air, but it was in no way a final settlement.

Mr. Wardlaw-Milne expresses the belief that some of the Nationalists now in power at Nanking are really anxious to make the present armistice the starting-point for a new order of things.

"The greatest source of strength to the Nanking Government," he declares, "would be a settled, stable Shanghai: this is the opportunity to secure it."—Reuter.

CHARGE AGAINST MINISTER

Oslo, June 20.

Charges of having suggested the formation of "Red Guards" with the object of causing a communist revolution in Norway were levelled to-day against M. Quisling, the Norwegian Minister of Defence, by three well-known members of the Norwegian Labour Party when they gave evidence before a Parliamentary committee.

The committee was appointed to investigate statementsa by M. Quisling in which he strongly condemned certain revolutionary activities in Norway and declared that he possessed documents seriously compromising Labour leaders.

The three Labour leaders now alleged that M. Quisling also proposed to re-enter the General Staff in order to be able to furnish his "red Guards" when formed with valuable information. They declare it was in 1924 and 1925 that he suggested the formation of "Red Guards."—Reuter.

NEW FUEL FOR STEAMERS

London, June 24.

The Cunard shipping company's tests at sea of the newly-invented fuel for ships, a mixture of oil and pulverised coal, has proved a complete success.

The Cunard Scythia from Liverpool to New York gave the fuel a trial and although on arrival in New York the Chief Engineer refused to make a statement, the company has now received a telegram from New York which says "all expectations realised."

The news of this success is regarded as being most important both for shipping companies and the British coal industry.

"Colloidal" is the name of the new fuel and its adoption by the British mercantile marine and the British Navy would mean an additional annual consumption of millions of tons of coal and would also benefit the iron and steel and the engineering trades.

It is understood that to burn this fuel no alteration of engines, boilers or burners will be necessary in ships that already burn oil fuel. The discovery has been patented by the Cunard company but it is learned that there is little doubt that it will be placed at the disposal of the nation.

Colloidal is estimated to cost £50 to £70 per hundred tons less than ordinary oil.—Reuter.

BRITAIN'S GIANT FLYING BOAT

London, June 21.

The biggest military flying-boat in the world is now completed and ready for launching at the works of Short Brothers, Rochester, Kent.

The new ship has a loading weight of 33 tons, more than twice that of the next largest flying boat in the service of the Royal Air Force, for which the new monster has been built.

The hull is 89 feet long and the biplane wings have a spread of 120 feet. A Rolls-Royce engine of 850 horse power drives the new flying-boat. She will carry a crew of ten, who will have living quarters in the vessel so as to enable her to make long flights to distant parts of the empire.

She should be capable of weathering anything except an ocean gale.

One of the most interesting features of the new vessel is that she is built along such lines which may develop a flying-boat capable of maintaining a trans-Atlantic service.—Reuter.

DISASTROUS FIRE N PORT OF SPAIN

Port of Spain, June 25.

The entire city was threatened with destruction early this morning when a tremendous conflagration swept through the business section of the town, sparing only the treasury vaults.

The hero of the occasion was Captain Mavrogordato, Inspector-General of Police. With his uniform torn and drenched with water but with monocle intact, he calmly and efficiently devoted the attention of the fire brigade to saving the city when an attempt to save the government quarter was obviously useless.

Most of the population assembled in the street and roared its appreciation of the efforts of Mavrogordato. But they were dismayed when a thousand gallons of bonded rum were seen flowing in a flaming river to the harbour.—Reuter.

IRELAND REFUSES BRITISH OFER

London, June 24.

The Irish Free State cabinet has refused the demand of Mr. J. H. Thomas, Secretary of State for the Dominions, that the land annuities problem be judged by a Commonwealth Tribunal.

The Free State has decided not to take any action regarding the land annuities which are due on June 30 until they receive Mr. Thomas's formal demand for the money.—Reuter.

GOLD MEDAL FOR MISS EARHART

Washington, June 21.

President Hoover to-day presented Miss Amelia Earhart, the first woman to make a solo flight across the Atlantic, with the gold medal of the National Geographic Society.

"Lady Lindy," as she is known on account of her resemblance to Colonel Lindbergh, is the first woman to receive the decoration.—Reuter.

BRITAIN'S AIR PAGEANT

London, June 25.

In spite of the attractions at Lord's and Wimbledon, enormous crowds turned up at Hendon to-day to see the annual display by the Royal Air Force. Among the distinguished visitors were representatives of many nations and many airmen who have achieved fame for air exploits in war and peace.

The programme included many thrilling and some comic events and the display afforded a fine opportunity for seeing what sort of planes would be at the service of Great Britain in the event of an emergency.

No less than 200 aeroplanes took part and about half of them are new types which have raised the speed of air operations in the last 12 months by no less than 30 miles an hour. This is an achievement of which the Royal Air Force is proud.

In addition to the thousands of people inside the enclosure, enormous crowds thronged the district round the aerodrome, getting an excellent view of a number of items on the long programme.

There were acrobatic stunts that made thousands catch their breath, formation flying in which precision thrilled the crowds, mass air evolutions and some mimic warfare that brought home the horrors of modern fighting. A building had been specially erected for bombers to demolish and the realism of this was tremendous and loudly cheered.

The display was all the more remarkable in that it was not the result of special training by picked pilots. This was the culmination of a year's training of the British Air Force. Even the formation flying and acrobatics were by "ordinary" pilots and not by specially selected and trained men. The display was cheered again and again by the great crowds of fascinated spectators.—Reuter.

MR. BALDWIN ON WISE EXPENDITURE

London, June 20.

Although the Government has balanced the budget by economies, it desires that private citizens shall not exercise excessive economy.

This was made clear in the House of Commons to-night by Mr. Stanley Baldwin, the acting Prime Minister.

He said he was unwilling to adopt the suggestion for initiation of a national campaign to emphasise the injury to the state by unnecessary private economy but he delivered an exhortation against excessive economy.

Mr. Baldwin said that it was the imperative duty of employers to maintain employment and that wise and courageous expenditure by private citizens where their incomes could bear it should be regarded by them as an obligation they must not avoid.—Reuter.

BRITISH LINER'S NEW RECORD

Quebec, June 21.

The new British liner, Empress of Britain, pride of the Canadian Pacific fleet, set up a new record to-day. All existing records for the trip from Cherbourg to Canada went by the board when the vessel, the biggest built in Britain since the War, passed Father Point, Quebec, only 4 days 7 hours 58 minutes from Cherbourg breakwater.

This time clips 62 minutes off the record set by the same liner some time ago.

The distance from Cherbourg to Quebec is 2,742 miles which means that on this record passage the ship averaged well over 26 knots an hour.

For the voyage from Cherbourg to the Ambrose Light, New York, the record was set by the new German liner Bremen which covered the distance of 3,163 miles at 27.83 knots an hour.—Reuter.

PRINCE UNVEILS NEW CHAPEL

London, June 24.

The Prince of Wales to-day unveiled in Westminster Abbey a new chapel to the memory of "The Million Dead."

The shrine, which is close to the "Unknown Warrior's" grave is to be called the Warriors' Chapel. An anonymous donor, who died some months ago, contributed half the cost of the chapel and the balance was collected in pennies from the mothers of the British Empire who lost sons in the Great War.

Members of the Mothers' Union of all parts of the world were represented in a congregation, mainly of women, at the unveiling to-day.—Reuter.

BRITISH COTTON INDUSTRY

London, June 25.

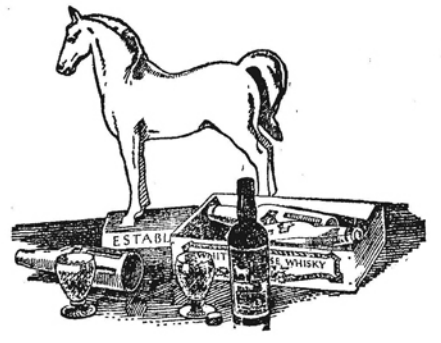
Sir Kenneth Stewart, chairman of the Lancashire Cotton Corporation Ltd., has resigned from that body. The corporation was formed some time ago to become the nucleus of a unification of the British cotton spinning industry.

Sir Kenneth says he had hoped to effect the unification of the trade but he finds no sign of any progress towards unity between spinners or willingness on the part of the American section of the industry to enter into mutual relationships.

Sir Kenneth formerly was in Shanghai, and visited China in 1925 and 1926 as a delegate to the special China tariff conference.—Reuter.

Chicago, June 25.—The Bank of Commerce here, which has deposits of over $5,000,000, and three smaller banks have closed their doors to-day. No less than 38 Chicago banks have closed their doors within a month.

White Horse Whisky



You can call the contents of a bottle by any name you like but if you want the contents to be the best Whisky you call them

WHITE HORSE WHISKY

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Jardine, Matheson & Co., Ltd.

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FIRM ATTITUDE OF BAVARIA

The Nazi Uniform Dispute: Parties at Loggerheads

Berlin, June 22.

Fighting between communists and Nazis which has been occurring in the industrial areas of the Ruhr and Silesia to-day spread to Berlin. There were clashes early to-day between the two parties in various parts of the city, especially in the communist stronghold, the suburb of Neukollen.

One Nazi was shot dead and two others very seriously wounded. Many on both sides received minor injuries.

Trouble in the Neukollen district began when communists attacked a body of uniformed socialists, members of the "Reichsbanner" organisation, whom they mistook for Nazis.

Discovering their mistake, the communists and socialists united to attack a party of Nazis who happened to arrive on the scene.—Reuter.

June 22.

The National-Socialist deputy, Herr Kerrl, was confirmed to-day in his position as Speaker of the Prussian Diet with 197 votes, against 91 votes cast for the Socialist candidate and 53 for the Communist candidate, while the Catholic Centre abstained from voting.

Dr. Kries, a Nationalist was elected first deputy Speaker, while Herr Baumhoff, a Centrist deputy was elected second deputy Speaker. The National-Socialists then nominated another of their deputies Herr Haake for the position of third deputy Speaker. Herr Haake was elected despite an effort of the Centre Party and the Socialists to deprive the house of the necessary quorum by walking out of the plenary hall.—Trans-Ocean Kuo Min.

Munich, June 22.

Accusing the Catholic Centre Party and its allied Havarian Peoples Party of placing obstacles on the National-Socialists coming to power in Prussia and elsewhere, Herr Hitler to-day issued a proclamation to the Party chiefs instructing them not to enter upon any co-operation or coalition with either of the two parties.

"The arrogant and self-confident manner in which these two parties not only obstruct our way to power, but participate in the persecution and obstruction of our movement makes it impossible for us to join hands with them anywhere. In the present circumstances, thereore, I cannot endorse any co-operation with them." Herr Hitler adds that such co-operation will no longer be essential after the general elections on July 31 which will end with the triumph of the National-Socialists.—Trans-Ocean Kuo Min.

Berlin, June 23.

The Prussian State Council to-day vetoed the Amnesty Bill for political prisoners passed recently in the Prussian Diet with the joint votes of the National-Socialists and Communists. The bill will now go back to the Diet where it will probably be defeated as a two-thirds majority is required for overriding the veto.

June 24.

The tug-o'-war between the Bavarian Government and the Federal Government over the question of the National-Socialists' wearing their brown shirts and breeches within the precincts of the State of Bavaria is broadening into a domestic issue of the first magnitude which is fraught with ominous possibilities.

At a crowded meeting in the capital to-night, the Berlin chief of the National-Socialists, Dr. Goebbels, delivered his party's ultimatum to the Federal Government, declaring that unless the latter compelled the Bavarian Government to respect its authority, the National-Socialiss would withdraw their support from it. He demanded the fulfilment of the following conditions:

(1) The proclamation of a state of emergency for the entire Reich;

(2) The suppression of the Communist Party and all affiliated organisations and the immediate dismissal of all Centrist and Socialist police officers throughout the Reich but particularly in Prussia.

At the same time another crowded meeting was held at Munich, the capital of Bavaria, with Herr Schaeffer, leader of the Bavarian Peoples' Party as the chief speaker. Using extremely vigorous language and denouncing Herr Hitler and his works in no uncertain terms, Herr Schaeffer warned the Federal Government against any interference with the rights of the state.

He hinted that the day might be near when Bavaria would again, as in the days of the Communist revolution, be compelled to appeal to the youth of the land to defend it from the forces of unreason.

Herr Schaeffer ended with a request to his audience to rise and take their solemn oath that they were resolved to live as free men in a free country and would never be slaves.

Both Dr. Goebbels and Herr Schaeffer worked their audiences to a frenzied pitch, illustrating the determination of both parties to stick to their guns in what is the first major dispute between the Federal Government and one of the states since the formation of the Reich.—Trans-Ocean Kuo Min.

June 24.

Two people were killed to-day and 40 injured during clashes between police and political rioters in various parts of Germany.

It is stated that if the situation does not improve and the disturbances continue, President Hindenburg will revoke the decree which permits the Nazis to wear uniforms.

June 25.

A sense of humour is relieving the terror of Nazi and Communist clashes which have been occurring all over Germany since the resumption of uniform wearing by the Nazis.

In the Rhineland these clashes have become so common that they differ little from civil war.

The Communists now are spying out isolated Nazis and instead of attacking them are stripping them of their uniforms and then turning them loose in only vest and underpants.

The Socialists have so far held aloof from the collision but 50 Reichsbanners to-day came into conflict with Nazis who were assaulting a newsboy selling a Socialist newspaper.

A pitched battle was fought in the courtyard of the "Vorwaerts" building here. Shots were fired and several people were injured.—Reuter.

Munich, June 25.

The stand of the Bavarian Government in its dispute with the Federal authorities over the legalising of the National-Socialist storm troops was endorsed to-day by the Bavarian Diet. 74 votes were cast for the motion approving the Government's policy in this matter. The National-Socialists were absent from the house having been suspended for 20 days for wearing their uniforms.—Trans-Ocean Kuo Min.

Magdeburg, June 26.

The rapid increase of political tension throughout Germany was illustrated here to-day by a remarkable speech by the Berlin police chief, Herr Gresczinski, who is a Socialist and a prominent member of his party.

Addressing a workers' meeting at the Labour Sport Club, Herr Gresczinski declared, amidst tremendous applause, that he accepted the challenge of the Berlin National-Socialist leader, Dr. Goebbels who had declared last week that the National-Socialists would conquer the streets.

"I have to say", he added, that whenever this conquest will be attempted, the would-be conquerors would meet with the police and with all the power of the state. Despite their open and secret allies in Prussia the gentlemen of the National-Socialist "storm troops" will then have to take good care that their precious heads are not bashed. On the day when the National-Socialists set out to make good their threat other organisations, including the Republican Reichsbanner, will be on the defensive and will take a hand in the game, and I prophecy that from that moment there will be no more "storm troops."—Trans-Ocean Kuo Min.

Berlin, June 26.

Bavaria and Baden, the two South German states, whose uncompromising attitude on the National-Socialist uniform question is threatening to result in open rupture with the Federal authorities, received unexpected moral support to-day from the State of Hesse.

Authoritative quarters at Darmstadt, the capital of Hesse, to-day indicated that the Government would appeal to President von Hindenburg to revoke the decree permitting the National-Socialist storm troops to wear their brown uniforms. It was stated that Hesse had loyally conformed with this decree and had lifted the ban on the brown shirts, but that this had resulted in serious trouble, aggravating an already strained situation. Inasmuch as President von Hindenburg had signed the decree in the hope that it would contribute to an alleviation of the tense situation and the hopes had not been justified, it was stated, there was every reason to expect that the President, standing as he does above all parties, will frankly recognise the dangers arising from his decree and take the necessary measures to revoke it.—Trans-Ocean Kuo Min.

SERIOUS RIOTS IN CHILE

Buenos Aires, June 21.

Events in Chile took a grave turn last night when rioting broke out in Santiago, Valparaiso and other towns. In Valparaiso, 20 people were killed and 50 injured when two Chilean warships arrived upon the scene with a thousand marines who had been ordered to shoot looters on sight.

The troops raided communist headquarters in Santiago and met an onslaught of rifle fire. A number of arrests including officers were made in both Valparaiso and Santiago.

The strikes reported throughout Chile, are apparently the outcome of a communist movement which certain sections of the troops are believed to be supporting. The Government, however, by a rigorous exercise of martial law, has succeeded in controlling the situation, it is reported.

Military officials have taken over control of all public utility companies, and the British Embassy in Santiago has instructed the British Consul to prepare a concentration of camps for British residents in case the rioters again get out of hand.—Reuter.

Santiago de Chile, June 20.

Col. Marmaduke Grove, former chief of the Chilean Air Force, and for ten days head of a revolutionary government of this country, has a chance to re-live the life of Robinson Crusoe.

The Government states that he has now arrived at the island of Juan Fernandez, believed by many to be the island immortalised in Defoe's famous narrative.

Col. Grove was taken in a Chilean battleship with other revolutionaries whom the Government decided to deport. Whether they will all remain on Juan Fernandez is not yet known.

Members of Col. Grove's escort describe him as an honest fanatic ambitious of becoming a "Red Napoleon" with the whole of South America in his power.

New York, June 21.

It was announced to-day that the new Chilean Government has invited four European economists, two French, one German and one Italian, to visit Chile in order to advise the ruling Junta on its economic programme.

The American Ambassador in Santiago has asked the Chilean government for the special protection of American lives and property in Pancagua where the Guggenheim copper mines are situated.—Reuter.

Buenos Aires, June 22.

The recent disturbances in Chile is creating uneasiness here. The establishment of a military dictatorship is feared and, if this materialises, it is believed that conditions will be even more disturbed than they are at present.

That such a dictatorship would be highly unpopular among the people is evidenced in reports stating that bodies of civilians have gathered and attacked military outposts. As a result, there have been many casualties, mainly among the civilians, who are considered foolhardy to have ventured against well-equipped troops.

A naval squadron is reported to have concentrated at Valparaiso in readiness to land marines, should any further disturbances occur.—Reuter.

MERCHANT SHIPPING DECISIONS

Copenhagen, June 20.

Important decisions regarding the future of merchant shipping were reached to-day at a meeting of the Baltic and International Maritime conference here.

A general scheme for laying up tonnage was declared to be impracticable and a policy of scrapping tonnage in excess of trade requirements was considered to be more likely to achieve success.

It was proposed that the scheme should be financed by the levying of special dues on all shipping, both national and foreign, calling at ports of countries adopting the scheme.—Reuter.

SUNKEN LINER'S TREASURE

Brest, June 22.

The divers of the Italian salvage ship Artiglio have retrieved their third lot of treasure trove from the sunken liner Egypt lying in her watery grave 400 ft. below the surface.

Yesterday they were successful in raising ingots of gold worth tens of thousands sterling from the bullion room of the ship.

Some days ago, they broached the bullion room for the first time and took their initial reward of a package containing 15,000 rupees in notes, but rough weather intervened and they had to discontinue their labours until to-day.

The Egypt has lain off the coast of Ushant for the past ten years, and for four years the Artiglio divers have laboured to lay hands on the £1,000,000 of sunken treasure lying hidden in her.

June 24.

The stream of gold from the sunken liner Egypt is still flowing. Those in charge of the salvage work from the Italian ship Artiglio are using a specially constructed "grab" to bring up treasure from the hold of the liner. One shot of the "grab" produced over a thousand sovereigns and five bars of gold to be added to the 28 gold bars recovered on Wednesday.

The total haul yesterday was 254 lbs. of gold and 173 sovereigns, and the excited workers started operations again.

When the first gold was brought up those in charge of operations informed Count Ciano, the Minister of Communications, by radio and the Minister replied: "Warmest congratulations of Mussolini to yourself and all the crew."

The Artiglio has now recovered about £700,000 worth of treasure or, according to one calculation, about a ton and still the yellow stream continues.

This is causing great joy among the underwriters of Lloyds and others concerned who are entitled to receive 37.5 per cent. of the bullion.

But others are after a share of this harvest. According to the French newspapers, the captain of a French salvage ship, the Arcachon, claims a share of the treasure on the grounds that he discovered the position of the wrecked Egypt and abandoned the wreck before he recovered any treasure. But the owners of the Artiglio will have none of this. They declare that it took them two years to find the wreck and that the Arcachon is entitled to nothing.

June 26.

A dramatic sequel to the salvaging of treasure from the sunken liner Egypt occurred to-day when the Italian salvage ship, Artiglio, arrived at Plymouth.

On instructions from the Admiralty Marshal, the cargo of £180,000 in gold and silver salvaged from the Egypt was "arrested" and the holds of the Artiglio sealed up.

This action developed from the claim which was filed by Captain Jean Davy, former captain of the tug Iroise, for his share of the gold on the grounds that he was the first to locate the wreck of the sunken liner.

The Egypt was sunk in a collision off the coast of Ushant in 1922 with a loss of 87 lives.—Reuter.

CANDLE BURNING OF IMAGES

Rome, June 22.

An order forbidding the burning of candles before statues and sacred images in churches in the Rome diocese has been issued by the Pope's Vicar-General. He says this tends to "give the appearance of superstition."—Reuter.

London, June 23.

An explanatory statement has been made by one of the secretaries of Cardinal Bourne, Archbishop of Westminster, with reference to the order of the Pope's Vicar-General in the Rome diocese. His order forbids the burning of votice candles before statues and sacred images on the ground that they easily may give "the appearance of superstition" and also give the impression that it is being done for gain.

The order asked the clergy to remind worshippers that "a mass well heard and a communion well received would be liklier to obtain celestial grace and favour than thousands of candles."

Cardinal Bourne's official says the Vicar-General's order cannot apply generally unless promulgated to the whole world and anyway it applies to candles burned for private devotional purposes and in no way concerns those used before the altar as part of the rules for ceremonial occasions.—Reuter.

TROOP-CARRYING BY AIR

Bagdad, June 23.

The largest troop-carrying operation ever undertaken by the Royal Air Force was completed to-day when nine 'planes crammed with men of the 1st Northamptonshire regiment arrived here from Egypt.

The explanation of this unexpected movement, which aroused much speculation, is published in an official communique which says "Assyrian officers and other ranks (who are British troops) have signified their desire to be released from further service. Therefore, it has been arranged that the 1st Northamptonshire regiment be brought by air from Egypt to assume temporarily the duties of the Assyrian levies. When it has been arranged to enlist other Iraqis to replace the Assyrians, the Northamptonshires will return to Egypt."

June 24.

One of Britain's little wars has ended, at least for the time being, with the capture of Sheik Ahmad of Barzan, a Kurdish head-man in the Iraq desert, who has continued for sometime to defy the authorities.

The British authorities decided to take stern steps for his extinction and troops were sent by air from Egypt to the vicinity of the Sheik's stronghold in the desert.

The operations of these troops resulted in Ahmad being driven across the border into Turkey where Turkish officials arrested him.—Reuter.

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UNSUCCESSFUL ACTION AGAINST EX-KAISER

Paris, June 25.

The District Court at Peronne to-day rejected an action brought against the former Kaiser by M. Maleau, claiming damages for the death of his daughter who was killed by a German shell in 1916.

The court held that the former Kaiser could only be sued in his position as head of the Reich and that as he no longer held that position no action could lie against him.

Plaintiff who had claimed damages of 100,000 francs was ordered to pay the costs.

He gave notice of appeal.—Trans-Ocean Kuo Min.

MEMEL-LITHUANIA DISPUTE

The Hague, June 24.

The Court of International Justice to-day reaffirmed its jurisdiction in the case of the four signatory powers of the Memel Convention against Lithuania which is charged with two distinct violations of the convention. The competency of the court had been challenged by Lithuania whose representative, M. Zidzikaukas, argued that the court dismiss the case as not falling within its jurisdiction.

The decision of the court was taken by 13 votes to three with Belgium, Poland and Lithuania voting against the majority.—Trans-Ocean Kuo Min..

MODIFIED BYRNE SCHEME

London, June 21.

The International Tin Committee in London has issued a communique to the effect that the signatory governments have accepted the scheme known as the modified Byrne scheme, providing that production in July and August shall either cease altogether or be controlled and that thereafter ore or metal shall be subject to controlled release. The rate of release will be ten per cent. monthly for ten months and that the new aggregate from July 1 be reduced at the rate of 17,040 tone annually below the existing quotas to 54,056 tons. The scheme goes into force on July 1 next.—Reuter.

FOREIGN NEWS IN BRIEF

Mr. Clinton Anderson of Albuquerque, N.M., has been elected president of the Rotary International.

* * *

By a vote of 36 to 16, the U. S. Senate has confirmed the re-nomination of Mr. T. V. O'Connor to be chairman of the U. S. Shipping Board.

* * *

A proclamation issued in Malta on June 21 re-established self-government in the island. The new ministry was sworn in with Monsieur Mifsud as Premier.

* * *

Munich, June 20.—The oldest high dignitary of the Catholic Church in Germany, the Bishop of Richstaedt, Ritter von Mergel, died here to-day at the age of 84.

* * *

Considering the economy bill, the House of Representatives on June 20 approved President Hoover's proposal for a payless furlough for Government employees. This plan is stated to be the equivalent of a five-day working week.

* * *

London, June 20.—It is officially announced that Admiral Sir Ernle Chatfield will succeed Admiral Sir F. L. Field as Lord Commissioner of the Admiralty and Chief of Naval Staff, the appointment to date from February 28, 1933.

* * *

A provisional agreement has been made between the Danish Ministry of Public Works and the British firm of Dorman Long & Co., for construction of a railway and bridge across Storstroemen. The cost of the work is estimated at about £2,000,000.

* * *

Magdeburg, June 25.—Queen Wilhelmina of the Netherlands arrived here to-day for a visit to Prince Ernst zu Stolberg. The queen is accompanied by her daughter, which fact has revived the rumours of the early engagement of the young princess and future queen to a German prince. The royal party was welcomed at the station by a representative of President von Hindenburg.

For the first time since the War, a German has been elected a corresponding member of the Academy of Political Sciences. The recipient of this singular honour is Professor Edmund Husserl, who holds the chair of philosophy at the University of Freiburg.

* * *

Plans to cut the costs of the French fighting forces by one-and-a-half milliard francs have been prepared by the new Minister of Budget for submission to parliament as the first instalment of economies designed to yield three times that sum in the next budget.

* * *

London, June 21.—All applications made for the export of arms to the Far East are examined with the utmost care. This fact was emphasised to-day in the House of Commons, by Major D. J. Colville, Secretary of Overseas trade, in answer to a question regarding the allegation that licences for such export are being given indiscriminately.

* * *

Hamburg, June 23.—A declaration that the City of Hamburg can no longer assume financial responsibility for the maintenance of the port was made to-day in the Free City's legislative council by the Burgomaster, Dr. Petersen. The declaration says that the city's resources are so seriously depleted that it is unable to meet the expenses of keeping up the port, and that the Reich will have to step in and assist Hamburg in carrying on.

* * *

The early engagement of Herr Hitler to Frau Winifred Wagner is anticipated in National-Socialist circles in Bayreuth, the Wagner town. An Englishwoman by birth, Frau Winifred Wagner is the widow of Siegfried Wagner, son of the great composer, who died three years ago. Since the death of her husband, Frau Wagner has been in sole charge of the bi-annual Wagner festivals which position brought her in contact with Herr Hitler, always an ardent admirer of the composer and of the Wagner family.

The Austrian National Bank is stopping for the time being the allotment of foreign currency for the service of the public debt owing to the reduction of its currency reserves.

* * *

Angora, June 22.—The Russo-Turkish agreement initialled on October 14, 1931, was to-day ratified unanimously by the National Assembly. The agreement provides to the prolongation for two years of the existing Russo-Turkish Naval Convention and the Non-Aggression Pact.

* * *

The total German budget deficit for the last fiscal year amounted to 1,690,000,000 manes according to the annual figures published on June 23 by the Ministry of Finance. Of this floating debt, however, 770,000,000 marks are a legacy of previous years.

* * *

Several sensational arrests have been made in Alexandria and Constantinople in connection with the drug traffic in the Near East. Those arrested include three British business men who are well-known in Constantinople. It is alleged that these three men dispatched heroin to Alexandria from Constantinople.

* * *

Thirty parliamentary candidates for the general elections next month were arrested throughout Rumania on June 20. They are believed to be Communists whose nomination papers were signed by persons known to sympathise with the Communist Party. The names of the arrested men have been struck off the candidate lists. The government is determined to prevent any Communists from entering parliament.

* * *

An appeal has been specially directed to great business corporations for £79,000 and to members of Oxford University scattered throughout the world and the general public for £140,000 to meet the challenge of the Rockefeller Foundation, which is to give £500,000 towards the extension of the Bodleian Library, if the rest of the sum required has been raised by 1936. This appeal was sent out on June 21 by the Vice-Chancellor of Oxford University at a meeting of the friends of the Bodleian Library. This library is one of the most famous libraries in the world.

The Hague, June 24.—A bill providing for the rehabilitation and extension of the Netherland merchant marine was carried to-day by the Lower Chamber with 67 to two votes. The bill provides for the foundation of a Merchant Service Bank with a capital of 5,000,000 guilders, the bulk of which will be provided by the Government.

* * *

Predyotkumar Battacharji, the Bengali youth who murdered Mr. Douglas, the magistrate at Midnapore, at the end of May, was sentenced to death at Calcutta on June 25. While Mr. Douglas was attending a board meeting, the condemned man broke into the room and fired three shots at him.

* * *

Budapest, June 26.—The Hungarian Regent, Admiral Horthy, had a narrow escape to-day when the car in which he was returning from his country seat Kenderes skidded and overturned. The admiral and his aide escaped with minor bruises, while the chauffeur and the orderly were seriously injured and are not expected to live.

* * *

The Royal Geographical Society has presented the Founders Medal of their society to Mr. Herbert G. Watkins for exploration and research in the Antarctic, which culminated in the British Antarctic Air Expedition of 1930-31. Mr. Watkins, who is the youngest man ever to receive the Gold Medal of the Society, is shortly to lead a small expedition to Greenland.

* * *

The Rockefeller Foundation have offered to the School of Oriental Studies at London University an annual sum of £3,000 for three years for the furtherance of research in African linguistics. In this field of research, the School of Oriental Studies acts in conjunction with the International Institute of African languages and cultures.

* * *

Lisbon, June 24.—All French goods now in the Portuguese customs houses and all parcels in the post from France are being held by order of the Government. This is as a result of the raising of the import duty on all Portuguese goods entering France by 15 per cent. None of the French goods now held will be delivered until the two Governments have thoroughly discussed the whole problem.

RESOURCES OF THE

"NORTH AMERICA" COMPANIES

All Security Values Based Upon Marked Quotation as of December 31, 1931

	Capital	†Assets	Liabilities	†Surplus To Policy Holders	Net Losses Paid Since Organization
Insurance, Company of North America	$12,000,000	74,992,662	$35,321,819	$39,670,843	$382,119,855
Alliance Insurance Company of Phila	1,000,000	7,770,941	3,860,814	3,910,127	27,746,140
Philadelphia Fire and Marine Ins. Co.	1,000,000	4,399,251	1,954,151	2,445,100	6,674,592
National Security Fire Ins. Company	1,000,000	2,237,285	642,001	1,595,284	2,259,490
Central Fire Insurance Co. of Baltimore	1,000,000	3,349,896	1,523,756	1,826,140	7,124,451
Indemnity Ins. Co. of North America	1,000,000	15,198,984	13,674,281	1,524,703	56,806,923
Alliance Casualty Company, Phila	1,000,000	4,807,571	3,087,123	1,720,448	3,275,108

DISTRIBUTION OF ASSETS OF THE "NORTH AMERICA" COMPANIES

(Security values besed upon last sale or average of quotations as of December 31, 1931) †

	Insurance Company of North America	Alliance Casualty Company, Phila	Philadelphia Fire and Marine Ins. Co.	Central Fire Ins. Co. of Baltimore	National Security Fire Ins. Company	Indemnity Ins. Co. of North America	Alliance Insurance Company of Phila	TOTALS
U. S. GOVERNMENT BONDS	$11,401,331.26	$ 845,906.25	$696,937.50	$303,878.84	$ 80,475.00	$1,761,468.75	$1,393,875.00	$16,483,872.60
CASH	2,930,707.64	736,699.87	785,209.35	326,552.21	395,985.53	1,254,417.93	401,402.20	6,830,974.73
PREMIUMS in Course of Collection	3,921,349.35	437,107.71	485,987.82	45,837.13	166,033.54	2,741,069.26	775,443.28	8,572,828.09
OTHER BONDS—								
State, County and Municipal	3,915,900.00	882,640.00	124,600.00	866,640.00	243,305.00	1,147,270.00	925,640.00	8,105,995.00
Canadian Government, Province and Municipal	737,333.34	124,710.00	86,370.00	—	—	320,600.000	—	1,269,013.34
Other Foreign	13,007.00	—	—	—	600.00		—	13,607.00
Railroad Equipment Trust	2,582,830.00	152,900.00	103,610.00	133,170.00	—	951,660.00	—	3,924,170.00
Railroad (largely underlying mortgages)	4,272,560.00	1,111,640.00	544,500.00	357,260.00	318,100.00	828,950.00	25,000.00	7,458,010.00
Public Utility	1,958,660.00	261,650.00	165,750.00	—	74,800.00	522,500.00	—	2,983,360.00
Industrial	5,257,650.00	327,500.00	110,000.00	—	91,630.00	924,750.00	—	6,711,530.00
STOCKS (Preferred and Guaranteed)	10,457,882.00	1,836,755.00	785,350.00	167,000,00	143,360.00	3,353,956.00	1,101,700.00	17,846,003.00
STOCKS (Common)—								
Railroad	1,287,400.00	144,900.00	35,400.00	7,350.00	34,229.00	214,000.00	—	1,723,279.00
Public Utility	2,988,400.00	450,400.00	138,000.00	—	131,880.00	335,600.00	59,500.00	4,103,780.00
Industrial	5,705,356.42	379,300.00	294,600.00	—	111,686.00	548,098.00	22,100.00	7,061,140.42
Bank	1,283,140.00	—	—	—	660,179.00	53,000.00	52,120.00	2,048,439.00
Miscellaneous	22,570.00	17,500.00	17,000.00	250.00	6,700.00	—	—	64,020.00
OTHER ASSETS	3,197,852.04*	61,331.97	25,936.46	29,347.10	890,933.30*	241,643.80	50,790.79	4,497,835.46*
STOCKS Owned in other Insurance Companies	13,058,732.70	—	—	—	—	—	—	13,058,732.70
TOTAL ASSETS (Prices based on quotations of December 31, 1931)	$74,992,661.75	$7,770,940.80	$4,399,251.13	$2,237,285.28	$3,349,896.37	$15,198,983.74	$4,807,571.27	$112,756,590.34

*Chiefly Real Estate

NET TOTAL (Less Value of Stocks Owned in other Insurance Companies) **$99,697,857.64 U.S. Currency.**

†Use of Valuations adopted by the National Convention of Insurance Commissioners would Increase Surplus to Policy Holders and Assets by $15,242,279.00 $1,506,676.50 $550,947.50 $383,016.66 $453,915.00 $2,180,323.41 $381,409.25 $20,698,567.34

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FROM THE FOUR WINDS

London Letter

HARD BARGAINERS AT HOME

Mr. Runciman's Heartfelt Cry When Presenting Coal Mines Bill

By O. M. Green

London, May 31.

That the coalowners are the hardest and most practised bargainers he has ever met, except the miners' federation was the heartfelt-cry of Mr. Runciman, in presenting the Coal Mines' Bill. And so say all of us, who have long given up attempting to understand the issues, and can only cry with Mercutio "a plague on both your houses," in the certainty that whatever happens we the public will have to pay.

Thus the new Bill continues the quota system introduced by the Act of 1931 for another five years, less for any intrinsic merit than that if it were dropped, coal would come down by 2/6 a ton. So the public are bled that amount to maintain artificial prices, an exaction not tolerated—at any rate officially in other industries.

Without the new Bill, hours of work would automatically fall from 7½ to 7 hours on July 8, which would inevitably mean a fall of wages. With the aid of this lever, Mr. Runciman induced the coalowners to agree to continue present rates of pay for 12 months certain. That is something many industries would only be too thankful for but the miners object that there is no reference to wagefixing in the Bill. That there is not, is because everyone except Socialists feels that it is extraordinarily dangerous for Parliament to attempt to fix wages, the next step to which is guaranteeing them.

The seven-hour waits for ratification of the Geneva Convention by the seven coal producing countries. Meanwhile foreign miners work longer hours for less money than the British, our export of coal has fallen by about 33 per cent. since 1913, and the increasing use of oil is a serious matter. A conference of miners' representatives is debating (as I write) whether to accept or strike. In view of all facts inside and outside the industry, there should be only one answer.

Having sat out two long operas and one concert of serious dimensions in the past fortnight, their Majesties took an evening off last night and relaxed at the Palladium performance in aid of the variety artistes' benevolent funds. Every seat was sold days beforehand, and the evening yields £4,000 to the fund. The crowd outside to see the King and Queen arrive ran into thousands and there was of course a tremendous demonstration within when their Majesties entered the royal box, the front of which was completly covered with red and white carnations. Then everybody settled down to enjoy the show, and nobody more so than the King and Queen.

Surely England is coming to her own again, for proof of which one takes some of the jokes that went best last night—"I was on a horse called Napoleon, I was on the bony part;" "I said I'd drown myself, I'd walk about in the month of May"; and, from a comic Scottish ship's engineer, "I mix with the nuts," and, "There's no place like the sea and if a man has anything in him, the sea will bring it out." The robust native humour of the gay nineties. One hears an echo of Herbert Campbell, Dan Leno and Harry Randall. How much better this than negroid rhythms and transpontine wit, excellent no doubt in its way, but not native.

Music hall stuff is undoubtedly coming to its own again. The non-stop variety programmes of the Windmill theatre, acrobats, jugglers, slapstick artistes, performing animals, dancers and low comedians (quite in the style of the old Mo. or the Westminster Aquarium), have had such success that others are following suit, the Palladium, Victoria Palace and Holborn Empire. Most significant of all the Pavilion, for so long a picture theatre, has reverted to its old love, variety. In the nineties it vied with the Tivole to give you the best so-called music-hall show in London, with Dan Leno, Marie Lloyd and that divinest of dancers, Eugene Stratton, the original "Whistling Coon" of Moore of Burgess days.

Perhaps the Empire will yet be the Empire again, the recognised meeting place of wanderers from all over the globe.

Perhaps to assert itself against the turning tide of fashion, perhaps with the bright idea that the noble river which flows through London is really worth cultivating the cabaret-cum-supper-room-and-dance-floor has broken out in a new direction, the so-called Show Boat.

She was originally the paddle-steamer Alexandra, which I remember perfectly well in my boyhood, running between Southampton and Weymouth, on cheap picnic trips, and it is inconceivable how seasick the picnickers were and what crowds of them she nevertheless carried. Now she has been painted green, white and orange and adorned with bunting and Chinese lanterns. She has a ball room, dining room, lounges and bar and three times a day she makes a trip down the river to show the sights of old London. You can have a thé dansant, beginning at 3; or a picnic dinner, dancing and cabaret, or a picnic supper ditto, ditto; or all three, if you care to stay and pay for them, tea costing 7/6 and dinner and supper 15/6 each.

The idea ought to catch on while it is new, if the weather is moderately kind, for the wonderful new cleanness of London, the clearness of the skies and absence of smuts, due to the increased use of electricity and central heating, makes out-door (or semi-outdoor) entertainment very pleasant. Then, of course, there will come a host of imitators and all the promoters—except the early ones who got out while the going was good—will figure in the bankruptcy court.

Apropos of outdoor entertainments, the 60,000 people who went last night to the White City to see the Carnera-Gains fight had a wonderful evening of it, mild, still and starry; and to-day they have an almost equally wonderful bone to worry, that is, whether Carnera won or Gains, the Canadian negro. As you probably know, the referee decided that Gains won on points, but there is heavy dissent to-day by several writers. One whom I have known for many years, Fred Dartnell, an old and very experienced critic, says that this "travesty of judgment, while grossly unfair to the Italian was so bad as to be laughable." The "Times" critic, though more restrained, is fully on Carnera's side. On the other hand the "Daily Express" headline says "Giant in a Panic"—which, whether the judgment was good or bad, was obviously rubbish.

By the concensus of temperate writers Carnera did not try to fight, but merely boxed. He is all but five stone heavier than Gains, and he told Fred Dartnell after the fight that he was so certain he was winning that he "did not like to hurt Gains unnecessarily. Not once did I feel any pain." That incidentally is the disconcerting thing about Carnera. He seems not to feel blows that would fell an ox. Gains got in a few terrific rights to the head and Carnera apparently felt them no more than a feather brush.

At boxing there appears no doubt that Gains is far the cleverer and more resourceful. Carnera is slow in thought and action. Gains managed to keep well away from Carnera's terrible short jabs to the body. He was amazingly quick and ingenious. But whether he really hit Carnera more often and more effectively than Carnera hit him, is another matter.

Thirty years ago or thereabouts there was a scare among men of being blackmailed by girls in railway trains and all sorts of stories were told of the ingenuity with which intended victims had turned the tables on their persecutors. Five years ago there was a similar scare about Hyde Park, where I heard more than one man says he would not dream of walking alone in the evening.

Now there is a scare about unprotected girls being stabbed by a morphia needle and carried off to their destruction. There have been several letters in the papers warning girls and their parents of the supposed danger. There was a similar scare shortly before the war, in connection with the White Slave Traffic agitation. That girls may be and are drugged, is probably the fact, but not in the open street and certainly not without their knowing that the injection has been administered—which is the cream of all these stories. Common sense as supplied by a lady doctor writing in "The Times" conveys the following antidote to the scare:

> In the first place it is extremely difficult to administer a hypodermic injection to a person in motion, especially if fully clothed. It is quite true that such an injection can be given practically imperceptibly by a skilled nurse, but only if she is using a fine needle and can see what she is doing. Such a needle could not be used through a coat sleeve, and snaps very easily if the patient moves. A coarse needle inflicts a formidable prick, which would be instantly detected before the aggressor could escape.
>
> Most mysterious of all features of the stories, however, are the motives of the supposed malefactors. Of what use to anyone is a semi-conscious girl, under conditions prevailing anywhere in the British Isles? May I suggest respectfully that your readers who feel mysterious pricks when people press against them in the street should look for pins accidentally sewn into the hems of their clothing by careless dressmakers?

Probably this particular bogey is an offshoot of the motor bandits and will die with them.

Mr. A. W. Burkill arrived in England last Wednesday and is staying with Mrs. Burkill and their daughter at the Glenridge Hotel, Virginia Water.

I met Mr. Brett yesterday morning in Piccadilly. He has not been very fit since his return but is better now, and meditates a short sea trip for a tonic.

Mr. C. D. Pearson is now on his way out to the Far East again.

I was told to-day that Mr. Archibald Rose had been injured in a motor-accident and obliged to tie up, but am glad to add that I gather he is going on well.

Military Letter

CHINA UNITS RIFLE RESULTS

Far Eastern Occurrences and the Question of Disarmament

From Our Military Correspondent

London, May 30.

It will probably never be known to what extent the conflict between Japan and China influenced European delegates at the Disarmament Conference but it is admitted that Far Eastern problems materially affected the chances of an agreement. More or less, disarmament was a question of the security of France and then a scaling down of expenditure but the Far East interposed at the crucial moment with the threat of a breakaway from the League and the serious outlook of warfare in the Pacific at some future date. In the background stands the Russian sphinx everlooking towards Manchuria and if she could persuade Germany and Italy to take an interest there one could say goodbye to disarmament.

The Geneva abolitionists are up against an awkward snag in the disarmament discussions. As statesmen and politicians they decided that it would be sound to limit forces to defence purposes shorn of aggressive weapons. The military opinion has chastened this view by showing that a defensive force is one maintained against an attack. Who is to attack if all are restricted to defence? And if attacked the best method of defence is often to take the offensive so that any defence force must be prepared to attack and have the necessary equipment to achieve success. The true answer is that research will go on and when needed a nation will spring a surprise on its contemporaries.

The 1st Lincolnshire Regiment at Shanghai comes out second in the Machine Gun Cup competition run by the Army Rifle Association. The result of the comparison of returns from abroad is as follows:—

1.	12th Royal Lancers Cairo ...	544
2.	1st Lincolnshire Shanghai ..	541
3.	1st Bed. & Herts. Mhow	423
4.	2nd K. O. Y. L. I. Peshawar	403
5.	2nd North Staffordshire Gibraltar	403
6.	1st East Surrey Lahore	366

There were 86 entries in this match. In other competitions the China results are as follows:—

1st Queen's Royal Regiment, Tientsin—13th for the Royal Irish Cup (sergeants match); 10th for the Young Soldiers Cup; 28th for the Hopton Cup; 12th for the Machine Gun Cup.

1st Lincolnshire Regiment, Shanghai—9th for the Young Soldiers Cup.

1st South Wales Borderers, Hong kong—19th and 20th for the Machine Gun Cup.

1st Wiltshire Regiment, Shanghai—22nd for the Machine Gun Cup.

1st East Lancashire Regt. Shanghai—7th for the Revolver Cup.

The Aggregate Team Champions for units in the Colonies etc, are the 2nd Royal Ulster Rifles at Khartum, and in India the 1st Rifle Brigade.

Last month Lt. Col. Montagu Boyd succeeded Lt. Col. Ponsonby in command of the 1st Queen's Royal Regiment at Tientsin after quarter of a century with the regiment. The Donegal Artillery Militia gave him his first schooling and from that unit he passed into the West Surrey in 1907. He was with the 2nd Battalion on a Colonial tour but in France became Adjutant of the 1st and served with it until appointed to the staff of the 2nd Division in 1916, of whose 5th Brigade he became brigade major, as well as of the 185th. He went to Italy with the 7th Division and also served with the 11th there as G. S. O. 2., a grading which he afterwards held at the War Office in 1919-20. Then he had another spell as Adjutant of the 1st Queen's and became Brigade Major of the 6th Infantry Brigade at Blackdown when the 1st Queen's were in it.

Is the Army nearing the period when a new grouping of the Infantry regiments will be necessary? Many hold that the Cardwell system is obsolete and that mechanisation will force a regrouping within a year or two. One officer has put forward a plan of regiments made up of four battalions so that there could be a training battalion at home, an expeditionary force battalion at home of trained men, a battalion of two years service men in the Colonies, China or Egypt, and one in India of fully seasoned soldiers.

The pleas for the retention of designations (instead of being renumbered) could be met by using the double regimental title as in the case of Bedford and Herts, Notts and Derby, Y. and L., and Oxford and Bucks and by revising the old numbers for the battalions, thus:—

Dorsetshire and Wiltshire Regiment

39th Battalion	54th Battalion
62nd Battalion	99th Battalion

It has been decided that No. 7 General Hospital at Shanghai shall in future be known as the British Military Hospital.

Major W. E. B. Dowling, East Lancashire Regiment, has passed through the 38th Course at the Senior Officers' School at Sheerness.

Lieut. T. Dickson, A. & S. H., has qualified at the Army School of P.T. at Shorncliffe.

Lieut. T. C. J. Dickson of the A. and S. H. has qualified at the Army School of Education.

Major General D. Deane has assumed military command in Burma.

Capt. A. E. Swann. Indian A. S. C., has passed at Peking as a first class interpreter in Chinese.

Capt. L. F. Field, Royal Army Service Corps, requalified as a 1st Class Interpreter in Chinese at Shanghai.

Major E. Ainger, 3rd The King's Own Hussars, qualified as a 1st Class Interpreter in Japanese, and Major W. J. F. Craig, Royal Army Medical Corps, qualified as a 2nd Class Interpreter in Japanese at an examination held at Tokyo.

Lieut. E. Walter, Wiltshire Regiment, has passed as a second class Interpreter in French.

Lieut. G. Keays, Lincolnshire Regiment, passed as a first class Interpreter in Arabic.

Lieut. D. Stansley, Norfolk Regiment, has passed in Chinese.

Major A. Mason, R.E., Lt. J. Kealy, Queen's Royal Regiment, and Capt. R. Edgeworth Johnstone, N.F., passed in colloquial Pekinese.

Lieut. R. J. Walker, R. E., has pased the second year's course in Japanese.

Brigadier General R. M. Heath who commanded North China and the Tientsin area from 1926 to 1928 has been appointed Colonel of The Middlesex Regiment which he entered thirty years ago after service in the York and Lancaster Regiment. He has had an odd mixture of service, having been a militiaman, mounted infantryman, a camel corps officer, cyclist corps commander, and O. C. of a footballers battalion.

The best scores made in the Queen Victoria Trophy matches aboud for all classes of fire are as follows:—

1st Rifle Brigade Jullundur ..	2808
2nd Royal Ulster Rifles Khartum	2584
2nd K. O. Y. L. I. Preshawar ..	2521
2nd Nt. Staffordshire Gibraltar	2507
2nd Suffolk Trimulgherry	2501
1st K. R. R. C. Calcutta	2475
12th Lancers Cairo	2473
2nd Worcestershire Malta	2404

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SPECIAL ARTICLES

SUMMER DIET

By Kunikos

The great thing about what you eat in the hot weather is that it really does not matter. This, of course, is unpardonable heresy so far as Health Departments and similar institutions are concerned. They cannot appreciate the argument that, if you are going to be ill, you are going to be ill, and that, therefore, you might as well get as much enjoyment as possible out of what you are eating while you can. Lists of "Thou shalt nots" are all very well, but have not they all been modified by the introduction of the refrigerator or even the ice-chest? If the claims of the innumerable salesmen of these articles—and, by the way, how do they find out that you have taken a new flat? —are to be believed, they are every whit as safe in preserving the diet of the family as anything which could possibly have been devised by the sponsors of the Commandments of Food. There may, however, be differences of opinion so far as diet without these modern conveniences is concerned. It is possible that the family, if such still exists in this civilised city, which still believes that the morning's milk can be kept until eventide without the assistance of some scheme of refrigeration, may succumb to the foul diseases which attach themselves to the warm weather. It is possible that the careless feeder, the man who ignores the wise saws of olden times about oysters and "r's" in months, may live to regret it, or his friends be called upon to provide wreaths of flowers at a time of year when these are particularly expensive. But these are chances which the people concerned are willing to take. And it is really extraordinary how often, when you consider the Food Commandments, they will get away with it.

* * *

Here there is no intention to preach a heresy. Let facts speak for themselves, with the reader bearing in mind that it is always safer to drive as far away as possible from the edge of a precipice in case of accidents. In how many cases, however, does the delicate discrimination in selection of summer foodstuffs which appears to be necessary depend upon the means of the person or persons concerned? There are some who cannot afford to be too discriminating. With full knowledge of the importance of health and happiness, they will prefer the fifty cent meal with its attendant risks to the one dollar and fifty cents repast with its almost certain safety. Then positions do exist in which there is nothing to choose from. What happens then? The human being, spurred on by instincts which tell him that he must eat or starve, and inspired by a somewhat natural reluctance to do the latter, eats just what comes up next, no matter what it is. There are plenty of old hardies who have travelled in the interior in the summer months who know exactly what that means. And the same thing applies in drinks, too.

* * *

Nearly everybody in the interior drinks tea. You have only got to look at the water to understand why. Anywhere along the canals or rivers of China you can see the water-carrier go down to the creek-side with his buckets and fill them, entirely irrespective of what might be contaminating the stream just above him. He seems secure in the knowledge that the water is going to be boiled, anyway. And often he needs to be. There could otherwise be no excuse for him. But what is tea? Some people complain that it gives them "nerves." There is a report, not to be taken as true until medically confirmed, that indulgence in tea results in an enlargement of the spleen, and all sorts of unpleasant after-effects. The infallibly beneficial nature of tea should not be taken therefore, entirely without verification. There may be occasions when it might be termed a pernicious fluid. One day, in the dim and remote future, a school may arise which may demand the total prohibition of tea, with all the paraphernalia necessary to the enforcement of such a prohibition. In which case the subject of tea may become as controversial as what is now known as "liquor."

* * *

It is futile, however, to deny the uses of tea in certain circumstances. The steaming hot drink, gently sipped because the human gullet is not constructed like the salamander's, undoubtedly has its cooling effects upon the hottest day—eventually. Ay, there's the rub! Of immediate satisfaction when you are most desirous of it there is little or none. No matter that it may prevent the perilous swelling of the veins of the neck which many people say foreshadows heat-stroke. No matter that, by heating up the interior to almost boiling point, it makes the hottest sun feel externally cool. It does not immediately appease that craving for something liquid. Then, again, there are drawbacks to the seasoned traveller which may not at first be apparent to his raw companion. When you call upon so-and-so and are welcomed with cups of tea poured from an earthenware pot which is heated over a small earthenware bowl of charcoal, who is to vouch for the cleanliness of the tea-pot. The Chinese are notoriously careless in many things which foreigners regard as elements of hygiene. Then again, they are economical to an unexpected degree, and the tea-leaves may have been in the pot for several days, a few additions each morning to give the beverage a fresher flavour. Or perhaps mine host has stabbed down the spout with a hair pin, or even blow down it to clear it when it is clogged. These things happen commonly enough. And who is to know whether or not they have happened to the tea-pot from which your drink is being poured?

* * *

In the matter of food there is an even greater speculative risk, because there are more varieties of food. Things are eaten that cannot be mentioned in polite conversation. Hence it is always better, when indulging in a meal in the hinterland, not to inquire too closely about the materials with which it has been prepared. Nor is it advisable to visit the kitchen, for there the filth and wholesale disregard for the most primitive forms of sanitation would appal the most hardy. It is necessary to eat, and when there is nothing to eat but what is provided for one in circumstances like these, then it is best to eat and leave the consequences to look after themselves. The main article of diet is rice. This is an admirable grain, but it cannot be denied that its uses resemble more what is known as "bulk" in horse-feeds—boosa or chopped straw. Great things may have been done on exclusive rice diets, but they are very difficult to believe. The chief relief to the monotony and filling power of rice is bean-curd, which may be found in all the fifty-seven varieties. A traveller from Chekiang relates of a breakfast of *shi-fan* —thick rice gruel—and bean-curd. There were two kinds of bean-curd; one a great slab of sickly white which caused him to exclaim that the old squire had again been foully murdered in the wood; and red bean-curd, which is a kind of fermented cheese, used as a flavouring to the other and to the *shi-fan*. He complained that, upon rising early in the morning with that Kruschen feeling, one glance at a breakfast of this description was enough to cast one down into the depths of despair and depression. One went about for the rest of the day sensitive to the injustices of life in this lower sphere and feeling that something ought to be done about them in less than no time, but by somebody with more time and energy to spare.

* * *

Bean-curd appears in innumerable other forms. Not uncommonly the patient finds it mixed up in a bowl of highly seasoned vegetation. It has been cut up into the form of small tongues, and apparently been well dried under the summer sun. A result is that, by closing one's eyes when chewing upon it and allowing the imagination but little rein, one can enjoy the illusion of being an explorer in the Arctic wastes where people live on pemmican and other forms of desiccated flesh. Chewing pemmican must be a splendid way in which to pass the long winter nights in those regions. Often bean-curd can be delicious. Dished up in a kind of stew with unmentionable fats and strange vegetables cooked together, it is a tasty morsel. It crops up in all kinds of unsuspected places. It is used in almost every bowl. And they say that its nutritive powers are something which should be incorporated in every book on vitamins. It has been so highly praised in this connection that it is surprising that some live wire in the patent food line has not already tinned it and labelled it with a "before and after" series of pictures. More extravagant claims have been made for food-stuffs whose resemblance to horse-fodder is far greater.

* * *

In touching upon the varieties of food obtainable in the interior and eaten because there is no choice, the temptation to make the flesh creep has been successfully resisted. There are plenty of stories, well authenticated, which would do this. But sufficient has been said to prove that whatever you eat, it really does not matter. Modern refrigeration has not as yet penetrated to the inn in the back-blocks. And even if it had, it is doubtful whether it would be of any great use as a safeguard. The butcher hangs his sides of pig in August as in December. The vegetable seller does not change his methods from summer to winter solstice. It is all the same, anyway.

Sixty Years Ago

From the "North-China Daily News," of June 28, 1872.

The keeper of the Kintoan Lighthouse, Mr. Smerderly reports that the body of a European sailor was washed ashore there on the 7th instant, and was buried by him.

There were no marks on the body, the colour of the hair was light, and the clothing consisted of grey trowsers, a blue jumper, belt and sheath and sea boots. From the appearance of the body it is supposed to have been in the water 9 or 10 days.

* * *

The Peking Gazette of May 18, reports further victories over the rebels in Kweichow, who have again been slaughtered in "countless numbers" by the enthusiastic soldiers of the Empire. Some progress does seem to be made by the Imperialists in this province, but enough victory and slaughter has been already recorded to recover and depopulate the province ten times over. In any case, the successes gained are singularly barren of results. The present edict does not say whether these were Mahommedan or Miaotze rebels.

WHILE it is known to many that the late Dr. Sun Yat-sen was a native of the district of Huengshan (now named Chungshan in his honour), few are aware that Tungkwan is actually the ancestral home of the founder of the Kuomintang. Since records have been found proving this, the Kuangtung provincial Council has decided to establish a primary school in Tungkwan in his memory, according to reports from the south.

THE MYTHS OF MOKANSHAN

The Story of the Gold and Silver Bells: Dragon Sweat

By B. W. H. Hudson

The advent of foreigners and their activity in building has caused much comment among the local Chinese. "Teashop talk" has discovered reasons, latent and otherwise, which are supposed to explain the presence of so many "outside" people at this particular spot in China. Out of variant versions come the following:—

Many years ago, when priests were numerous on Mokanshan, a large amount of gold accumulated. It was announced that the tones from a bell made of this precious metal would soothe many evils, and secure the favour of some good spirits for those living near this costly talisman. Accordingly, when the bell was finished priestcraft flourished until 360 establishments were in evidence. However, it was impossible to keep the bell in any one spot . . . . irresistibly, it seems, it moved from place to place, presumably to approach nearer some favoured one. At last a head priest determined to bury it hard and fast to secure his own good fortune. The workmen, of course, were blindfolded and led to a spot he had chosen. Eventually the bell was planted firm and deep. This displeased the genii so much that the priest died and the secret perished with him. The other priests disputed about the location of the bell and all traces disappeared. Now the foreigners profess to dig foundations in order to build summer houses, but it is perfectly evident that they are searching for the precious talisman. The proof is plain from the fact that they leave the houses empty about nine months in the year and only come when they can stay and use their instruments (thermometers, etc.) in the warm weather. The wonderful bell is sure to be near the man of the greatest age, with the largest number of sons and the heaviest bank account. The legend goes that when 360 houses have been built the Golden Bell will automatically come to the surface and the first finder will be happy ever after.

Some time after the Golden Bell had disappeared enough silver was collected to cast another equal in value and immensely larger. But as one of the periodic revolutions swept over China, the metal was buried for safe keeping. A forest fire overran the mountain and no one has ever yet been able to find the hidden treasure. Ostensibly, the Chinese labourers accept wages when they dig foundations for houses at Mokanshan, but anyone who understands the matter knows that they are really seeking for lost silver; the money they accept from foreigners merely "saves their face." The lucky year within the cycle of 360 is evidently now not far away.

At a temple off to the south from Prospect Point there is an iron bell with an inscription. Regardless of what it says it must be read to mean, "If ever this bell of its own accord should ring the magic number, the Golden Bell will come to the surface; the Silver Bell Treasure will be disclosed and a peaceful change in China will make everybody happy for 360 years." When that cycle closes all houses at Mokanshan will disappear, and a wilderness of bamboos will cover the place, only to revive again in cyclic periods.

Centuries ago a Chinese Solon visited this apex of Mokanshan. He noticed the wind blowing all around, but where he stood it was perfectly still. He inferred that he had discovered the point of equilibrium between wind and water (probably the vacuum vortex of a small cyclone, produced by opposite currents of air). At any rate a pagoda was built there and vegetation flourished on every side. At last the pagoda fell into ruin, and the houses and people disappeared. So far no foreigner has been able to buy this place because it is an open question whether there would follow an era of great peace or revolution. The Water Dragon is favourable, i.e., allows the walls of houses to go up in moist clay, but the Wind Dragon is opposed because the typhoons sometimes blow them down. No more than 360 houses must be built at Mokanshan lest the Fire Dragon should emerge in anger and then Tashan would become a volcano and destroy everything around it.

During a rebellion in China a traitor was crossing the ridge that extends from Prospect Point to Tashan. Lightning struck him and shattered an immense boulder into three great fragements. The central piece has been removed but the other two remain, one on each side of the road. Cleavage and scars are still present to convince visitors.

Years ago a Chinese maiden was betrothed to a mountain youth. The two candles lighted on their wedding day burned evenly. They lived quietly to a great age and then died. Two pines planted at their grave still grow evenly. It is confidently asserted that this old couple can never quarrel as long as the trees are not disturbed.

Once a wise man, remembered as "The Nameless One," meditated upon the origin of things. He had no disciples, wrote no books, sought no office. He merely answered questions, satisfied if his ideas lived or lingered in the minds of the common people. When asked about the origin of the bamboo he told the following story:

Ages ago, when all animals were larger than now, two immense flocks of birds met high up over Mokanshan. After a dispute between the leaders a fight began in mid-air. Feathers fell so fast that they stuck upright in the ground. The soil was soft and fertile, the thicket of fallen plumes became a forest of of the now "feathery bamboos."

The Nameless One went on to say that "at first the world was covered with water, then mud. The dragon went to sleep. He slept so long that his scales and claws grew long and protruded above the surface. When men began to build houses and bridges and to pave roads, they chipped off the surface rocks, but it did not hurt the dragon. When he moved away from chisels and hammers there was an earthquake, when he roared with pain, there was a typhoon. So prudent Chinese must not dig too deep lest all be destroyed.

All water is dragon sweat. When the wind dragon sweats it rains and soon turns sour. When the earth dragon sweats there are springs gushing with water that is evil-tasting (mineral). As there is always good close to the bad, the primitive Chinese found the tea-plant growing close to the springs on the mountain sides. All Chinese know that "raw water is poison," so after boiling to remove the danger, tea leaves are brewed in to improve the taste. Barbarians may add sugar and milk, which is a depraved custom and spoils three good things, i.e. tea, sugar, and milk.

Ages ago the flesh-eaters fought the fruit-eaters and drove them from the forests and hills to the swamps and mud. When nearly perished for food the fruit-eaters began to eat swamp grass seeds, and found them so wholesome that they decided to plant the grass and use the seed for food. In this way the rice plant came into favour.

When The Nameless One was called upon to explain the reason for the vermin that abound in China he said: "Some sort of good is opposed to every evil."

In the early days the Chinese people slept in the open air during the summer months. As this produced (malarial) fevers, mosquitoes were sent to drive the people indoors, and those who used used nets or curtains to their beds escaped both the mosquitoes and the malaria.

The first beggar in China was so lazy that he would not work: so lazy did he become that he never bathed nor changed his clothes. The louse was sent to make him scratch and go to work. It is still in evidence that beggars are chiefly infested with this parasite.

Owing to their fear of the dark the early Chinese began to crowd together when they slept, so that many evils resulted. Bed-bugs came to compel each person to have his own bed. It is still a fact that where people crowd together as in cities, towns, and villages, bed-bugs abound. The polite term for this pest is "Hangchow Guest" probably because that famous city was once so crowded that this pest abounded to excess and became distributed elsewhere by travellers.

Years ago a literary man living at the foot of the mountain had a beautiful daughter. She rarely went outside the high walls of her home, but from an iron-barred window, overlooking a ricefield, she watched a stalwart young farmer at his work. The delicate beauty of the face at the window attracted him, but when she smiled he was entranced. Her father, having borrowed money from a miserly old man, finally betrothed, or rather bargained her away as a secondary wife. So many tears fell from the once bright eyes that the young farmer, having made a light bamboo ladder, climbed up to the window and planned to carry her away with him. She told him to wait until her father went away to one of the examinations, and then to come on a dark stormy night and

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with some tools remove the brick that held the iron bars in place. The plan was carried out without arousing anyone inside, and the happy trembling pair started across the mountains. On account of her small feet, progress was slow until he decided to carry her. As they went, snow began to fall and, fearing to light a lantern, they lost their way. Near a great rock, that still may be seen, a broken bracelet suggested where they hid from the fury of the storm. Whether they were frozen and eaten by wolves, or became drowned in the rapid torrents that followed the snow is still a mystery. Many of his old companions felt sure that he had succeeded in crossing the mountains and in some far-off valley made a happy home in the deep shades of the bamboo forest. Those who care to do so may take an afternoon walk to Lost Lovers' Land.

Among the hill squatters were the leaders of two clans, often opposed and hating each other most cordially. In physical prowess they were about evenly matched. However, after a carousal and protracted gambling, they separated long after midnight. In taking a short cut, one of the leaders, familiar with the mountain path, walked ahead carelessly. Suddenly he fell from a ledge on to the rocks below, calling out the name of his enemy as he went down. As he never recovered consciousness but died a few days after, his rival, who disappeared for a time, is supposed to have been the cause of the accident. Particularly so, as another enemy of the survivor was found dead in his lonely hut beyond Tashan some time afterwards, with marks of violence on his body. By hushing up or overlooking such incidents, the Chinese people allow these lawless men to increase in boldness, until some outrageous crime finally brings the soldiers to capture and punish, perhaps, the wrong man.

A young buzzard once asked his father why they were not on terms of cordial intimacy with the other birds. The father buzzard referred his son to the owl, who was once the official schoolmaster when the lion was king. The owl hesitated, but finally said: "Ages ago the buzzard was the equal of the eagle in keenness of sight, length of wing, and sharpness of claw. Owing to the energy and endurance of the eagle, he caught more prey than the buzzard, and having a more temperate appetite, he never gorged himself, and always had something left over. The buzzard waited around until the eagle had finished or happened to call shortly after the feast was over. As the eagle generously gave him an invitation to eat, the buzzard never refused, even when the carcase remnants had begun to decompose. In fact, he developed the habit of waiting around when other birds were busy, and developed such a taste for tainted meat that he finally did not care for fresh food, but actually enjoyed meat that was repulsive to the other birds. As the flavour of his food clung to him, social visits from the other birds became less frequent, and at last it was intimated to him that his presence was not desired at the open-air concerts of the feathered tribe. Failing to practise, he lost his voice, and how he never sings. He became so unpopular that he was not allowed to attend funerals until all the mourners had departed." On his way home, the young buzzard ate so much of a dead sheep by the roadside that he forgot all that the owl had told him. Moral: appetite is a sure index of character.

The real sage of Mokanshan was a mat weaver, who had several hundred disciples. He was called to court but preferred private life—a life without care.

Folklore, myths, legends, fables, riddles, and proverbs abound. Those who speak the local dialect may find material for better understanding the Chinese mind, and some amusement in addition.

THE fifth biennial conference of the Institute of Pacific Relations will go eastward to the Occident for the first time in the Institute's history. Banff, in the Canadian Rockies, has been named as the meeting place for the conference on August 30, 1933, according to a statement by the Acting General Secretary Charles F. Loomis from the International Headquarters of the Institute s 1641 South Bretania Street, Honolulu. Word as to the choice of location has just been received by cable from the Chairman of the Pacific Council of the Institute M.V. Jerome D. Greene of New York, after the nine members of this internationa governing body had voted on the matter. Three invitatnons were undr consideration, namey the Philippines, Honolulu and Canda.

CHINA'S INDUSTRIAL CHANGES

Expansion of Large Scale Production in Textiles Forecast

By R. H. TAWNEY

The first fact to remember, in considering either the economic or the political conditions of China, is the vast size of the country. She has an area of over 4,000,000 square miles with her dependencies, and of over 1,800,000 without them. Her population is uncertain; but it is probably somewhere between 400,000,000 and 450,000,000, or between one-fifth and one-sixth of that of the world. If the figures usually given may be accepted, the aggregate population of five out of her thirty provinces exceeds that of France, Germany and the United Kingdom combined. Distances, therefore, are great, and, except in parts of the East, modern means of communication are scanty or absent. In a territory which is almost as large as the whole of Europe without Russia, there are only about 10,000 miles of railway and 35,000 miles of road suitable for motor traffic. The result is that, outside a limited region, travel is extremely slow and difficult; a journey, for example, from Nanking, the seat of the National Government, to Chengtu, the capital of the great province of Szechuan, with a population not much smaller than that of Germany, may take longer than from Nanking to London. The effect of such conditions is greatly to heighten local differences: I remember being told by a Chinese lady that, when she spoke to her sister in the dialect of their home, her mother-in-law asked her if she was speaking English. It is also to make effective unity extremely difficult of attainment.

China is overwhelmingly a rural society, and between two-thirds and three-quarters of her population are peasant-farmers. What is striking is not the concentration in cities, great though some of these are, but the crowding of human beings on the land. The pressure here is such that holdings have been progressively subdivided till, except in Manchuria, most families have to wring a living from a patch of land which seems to a European hardly bigger than a tablecloth. When returns as to the size of the under 50,000,000 farms were obtained by the Government fifteen years ago, it was found that one-third were under 2 acres in size, just under two-thirds under 5 acres, and over 6 per cent. over 15 acres. The numerous tiny patches of cultivated land which diversify the large outlines of the Chinese landscape give an observer the impression of an agriculture of pygmies in a land of giants.

The prevalence of minute holdings has necessitated special methods of cultivation to make them yield a livelihood. There is next to no pasture farming in China, for all the land is required to grow food for immediate human consumption; so that there is, except for foreigners, no milk and little meat. The most important crops grown are rice in the South, and wheat and millet in the North. The methods of cultivation in use may be most aptly described as a kind of gardening. The technical expertness of the Chinese farmer has been often admired, but his triumphs are won at a heavy cost. It is the agriculture of a prescientific age, which, except here and there, owes nothing to chemistry, biology or mechanical invention. Tools are primitive. Except in Manchuria mechanical power is hardly used; artificial fertilisers are rarely employed; the selection of seeds is casual; plant and animal diseases cause heavy loss. Judged by Western standards, in short, Chinese agriculture is under-capitalised and over-manned. In the case of one crop, rice, where its methods are seen at their best, its output per acre is surprisingly high; but its output per man is invariably low. It is the latter, not the former, which determines the standard of life of the rural population.

Other forces, in addition, combine to depress it. Agriculture is not only a productive industry. It is also a business with problems of its own. The farmer must finance the interval between one harvest and the next, market his product, and, if he is a tenant, pay rent to his landlord. Most Chinese peasants have no reserves to fall back on, and, as a consequence, are in the hands of moneylenders. As far as the poorer of them are concerned, permanent indebtedness is the rule rather than the exception. They pawn their crops in summer, their farm implements in winter, and their household possessions throughout the year. They get credit where they can, on what terms they can; and, since their necessities are desperate, they are often skinned alive. Difficulties of transport prevent them from choosing their market and place them at the mercy of local dealers. In North China, where the majority of peasants own their own holdings, the question of tenure is not acute. But in the South, where the majority are tenants, it is a burning problem. On the top of these permanent evils are those arising from internal disorder. Parts of China are plagued by bandits, other parts by generals who quarter their troops on the country, and levy taxation as they please; there are districts where the peasants are said to have paid taxes up to 1950. Finally, there are the recurrent catastrophes of drought and flood, like the flood of last year which has already caused death from starvation on a large scale, and the effects of which, since it has prevented sowing, are not yet ended.

That is one side, the rural side, of Chinese economic life. The other side is represented by her manufacturing industries. The type of industrial system traditional in China resembles that which was general in Europe till a century ago. Village industries, especially various branches of textiles, are practised in the cottages of the workers in the intervals of agriculture. Town crafts are carried on in little workshops owned by small masters employing half a dozen to a dozen journeymen and apprentices, and often organised in guilds. The visitor who explores the streets of any Chinese city passes between rows of houses open to the streets, at once workshops and houses, in which small groups of artisans are hammering metal, fashioning wood or making shoes or clothes, side by side with their employers, whose meals they share, and with whom, when apprentices, they normally lodge. There is little sub-division of labour, and, in the majority of cases, no machinery or power. Methods are patient, laborious and slow; discipline slack or absent. There is much physical exertion and little nervous strain.

This traditional system no longer stands alone. On the fringe of it has been growing up for a generation an industrial system imported from the West, based on power, machinery and large-scale organisation. It is still in its first youth; the number of cotton mills in China is less than existed in England in 1800, and the output of coal about what it was in England in 1820. It is still largely, though to a diminishing extent, in foreign hands; more than half the capital invested in cotton spinning, and more than three-quarters of the small iron ore deposits of China are owned by Japanese. And it is still confined mainly to the coastal region. But it has grown with a rapidity which, in view of the difficulties of the last twenty years, is surprising; and its growth will continue. China is never likely to be industrialised in the same sense as Great Britain or the United States; she has not sufficient iron ore. But she possesses valuable raw materials; given the development of her coal industry, she may have cheap power. She has a market at home which, provided methods of transport and agriculture are improved, is enormous An expansion of large-scale production is to be expected in textiles, and in a multitude of industries based on agriculture. The Chinese themselves realise the advantages which modern technique has conferred on the West, and desire to secure them. Living, as they do, in a country where the burden imposed on man by Nature is crushing, they see in machinery and power the beneficent genii which will lift the load. They see also, however, that the conditions obtaining in the new factory industries are sometimes such as largely to neutralise their benefits. Hours of factory employment are frequently twelve, and sometimes longer. Children enter the mill as young as seven or eight years old. Night work for both sexes and all ages is common.

Such, in brief outline, is the general economic situation of China today. On the one hand, there is a vast population of cultivators living close to the margin of subsistence, and periodically driven below it. On the other hand, the social order of the past is undergoing the strain and dislocation produced by the impact of Western economic methods. Neither problem is hopeless. Given political stability, it would be possible considerably to raise the standard of rural life by measures such as have raised it in other parts of the world—the application of science to farming, the development of co-operative credit and marketing, the modernisation of land-tenure, and, above all, the extension of communications, which is the first condition alike of economic and of political progress. It would be equally possible to enforce, as far as the larger establishments are concerned, an efficient factory code, to extend primary education, and in the more advanced provinces, where the percentage of children attending school is not much lower than in the England of 1850, to make it universal in a reasonably short time. Some attempts to apply such measures have already been made, but they have been fitful and intermittent. The question is whether political conditions will be sufficiently stable to permit of their application in the continuous and systematic manner which can alone yield results.

The answer to that question depends largely, of course, on China herself. During the greater part of her history, her unity has been that of a culture or civilisation rather than of a state. Since 1911 She has been attemptin~ to create a modern political system. But, while she has introduced the forms of a modern state, she still has to build up the administrative machinery and form the social habits needed to work one. The answer depends also, however, largely on forces outside China. It is a matter partly of securing her a breathing space in which the transition from the old order to the new can be effected without the complications arising from foreign intervention. Manchuria, with a population of about 30,000,000, of whom some 27,000,000 are Chinese, is the region where the issue between law and military force—an issue obviously vital, not only to China, but to the world—is now being put to the test. She requires something more, however, than mere security against external interference. The Chinese Government realise that economic reconstruction is essential and that Western administrative technique can be used to assist it. Hence, during the last two years it has arranged, through the League of Nations, to secure that experts shall be put at its disposal to advise it on the extension of communications, the prevention or control of floods, the improvement of agriculture, the organisation of famine relief and the development of systems of public health and education. This departure is still in an early stage. Its possibilities are great. It is a practical piece of internationalism, by which means the Chinese Government is enabled, without compromising its independence, to draw on Western technical skill and administrative experience, and by which the West can establish with China relations of friendly co-operation which have not between her past and her future. existed hitherto. Whether such action will continue to develop depends largely on the outcome of the Manchurian controversy. If it appears that the League is unable to enforce the rule of law, China will be thrown back on herself, and her energies will be concentrated for a generation on preparations for an attempt to recover what she has lost. If, on the other hand, the League even at this hour proves able to hold the scales even between a strong nation and a weak, its prestige in the East will be established, and its advice will be a powerful factor in aiding China to cross the difficult bridge between her past and her future.

HOPE IN VALLEY OF SHADOW

Work of the Infectious Diseases Hospital

That path through the Valley of the Shadow along which cholera has conducted its tens of millions of victims in the past, is being lighted by the rays of hope that modern medicine provides. Its halls of suffering are no longer the ante-chambers to the grim inevitable and there is more than a chance nowadays for sufferers from this dreadful disease to secure a happy issue out of their afflictions. On June 23 the writer was privileged to be taken through the Chinese Infectious Diseases Hospital in Thibet Road, by Dr. C. S. Teng, who, with Dr. F. C. Yen, is in charge of the fine work being done there.

About five hundred sufferers from this summer's epidemic have passed through its portals and only three per cent. have died. They have come in, in all degrees of sickness from fairly mild, responsive cases, to those in a state of collapse, standing at the edge of the grave to be pulled back by an artifice which strikes the lay mind with its splendid simplicity. One of the effects of cholera, apart from its more distressing aspects, is the deprivation of the blood of much of its normal water content. The flesh seems to shrink visibly, hollow cheeks and flaccid skin indicate that feature of the disease. The elasticity of the skin disappears, and when it is pinched remains raised in its new shape instead of snapping back with its accustomed quickness.

Science has found that saline solution injected into the blood stream cures all this, not in every case it is true, but those seem to be the exceptions in Shanghai rather than the rule. So on a shelf rather high above the head of the sufferer is placed a beaker of the saline solution. In it is a filter from which an indiarubber siphon leads to a glass nozzle, a very small one by reason of the function it has to fulfill.

On the bed lies a victim, his arm kept straight by a board to which it is tied, while along the forearm, kept in place by plaster, runs a portion of the siphon to the nozzle which has been inserted into a vein on the inside of the elbow, and bound there tight while thousands of cubic centimetres of the health-giving fluid is passed into the circulatory system. Patients in the last stages of collapse men whom the laymen, like one uninformed Chinese policeman, would believe beyond all human aid have responded to the treatment, and in a very short while the eyes, closed in a sort of unconsciousness, reopen, an interest is taken in life again, hollow cheeks swell out to the roundness of health, the skin regains its elasticity and a forlorn hope takes upon itself the complexion of a very fair chance.

The Chinese policeman mentioned above, is stated to have brought in such a victim. Convinced he was dead, the policeman told the doctor so, and asked for a receipt for the body, but the doctor saw a slight movement of the chest, and with a precision which seems almost like a good military drill, matters were taken in hand and the policeman robbed of the document he expected to obtain.

In one ward for women, fortunately at the time containing only two occupied beds, a patient lay with arm outstretched receiving the life-giving fluid while a husband, seated on the bed, his back towards the onlookers stayed there patiently seeking to give comfort by his presence to the sufferer on the bed. In another room a little child was having its life given back to it, while an anxious mother and other female relatives, knowing little of what it was all about perhaps fearing somewhat the mysteries to which the child was being subjected waited silently while medicine helped nature.

The surroundings of the hospital may not be all that is desirable from the foreign point of view. Much of the equipment is rough and ready, but cholera is not one of your polite diseases and leaves not very much room for the refinements. Yet so far as efficiency is concerned there is nothing to be desired further. Day and night in the out patients' department a fully qualified doctor is continually on duty, and in this sickness were time is an undoubted factor minutes do not pass before the saline solution is bringing new hope to the stricken.

The hospital is maintained by private endeavour, assistance from the Councils of the International Settlement and French Concession, the staff give the impression of quiet efficiency, proved by the low mortality amongst those seeking their aid, and to sum up this hospital and the others like it are doing a work the value of which it is not possible fully to express in words. They are flooding this portion of the Valley of the Shadow with light, robbing it of its terrors and depriving it of much of its grim efficiency.
—R.T.P.-G.

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RAZON'S

12 Central Road and

1135 Bubbling Well Road.

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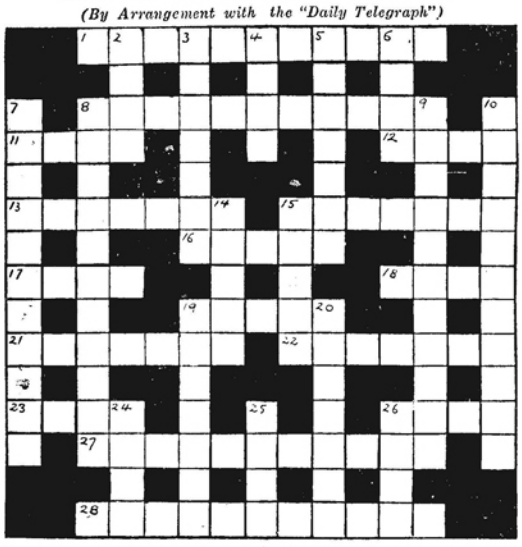
LONDON CROSS-WORD PUZZLES

(By Arrangement with the "Daily Telegraph")

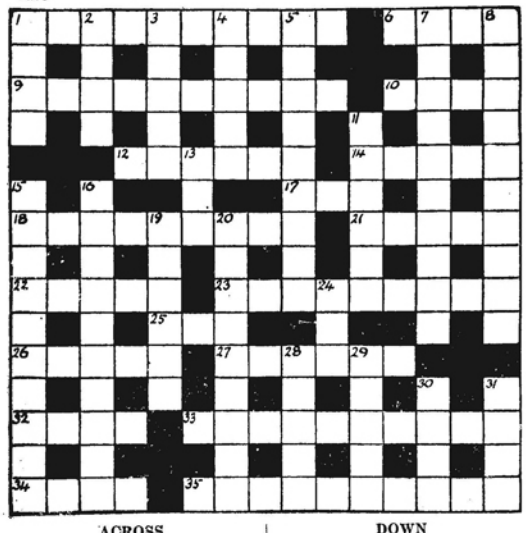


ACROSS

1 English heavy-weight boxers may be quite honourable, but they are not world-famous for this
8 A hole a speaker can make use of by removing the fourth letter
11 Sounds painful, but birds do it
12 Game not uncommon after rain
13 Revel
15 "Seed pod" (anag.)
16 Time that, beheaded, we all have
17 A striking bridge call
18 A headless cleric incognito
19 Delude in slang
21 The careful hand never does this
22 Every child knows one of them went to market
23 This way is not so popular for travelling now
26 A special performance
27 Harmful, with frost in it
28 Musical instrument

DOWN

2 On which you may often hear this rot
3 Early life in imagination
4 This by is near
5 Several reasons for a picnicker's irritation
6 To be avoided out of hours in conversation
7 Where birds of a nice feather flock together
8 One of the household staff who has our heart
9 Idiotic
10 One of the unstable supporters of the boat race crews
14 For this is always in slang
15 Does not make for 1 across in inclination
19 An indeterminate number
20 "Inn cafe" (anag.)
24 Seek this in alleviation
25 Portent
26 The France of long ago



ACROSS

1 A matter of mutual modification
6 Precious stone
9 This insect shows a place to keep money in a religious house
10 This trooper was a border raider
12 A herb
14 English town
17 Stands for a very senior regiment
18 I clued tea, to make it quite clear
21 An angler can't get this creature from a boat, but might from the shore
22 This kind of seat is the beginning of a tiff
23 Apparently a choice between music and a little devil to pester one
25 Spirit
26 These Atlantic islands show a retreating artist surrounded by the enemy
27 Passage
32 Hail at sea
33 "We remind 'er" (anag.)
34 "Shall I not take my —— in my inn ..." ("Henry IV.")
35 Lying

DOWN

1 A bit of clothing that otherwise may affect the ears
2 Letters in this form may be a protection
3 Describes the day for which the prodigal does not think
4 Wherein certain difficulties have loomed lately
5 "Parch peas" (anag.)
7 Thriving
8 Town of the U.S.A.
11 Cupid, perhaps
13 "and tell —— stories of the death of Kings" ("Richard II.")
15 Banter
16 The same as 13 down
19 Natural
20 I'm in a race to cause some liveliness
24 Mineral
28 Tree
29 One of a vessel's spars
30 What does the sailor fear in the sea but find useful in a gale?
31 What Adam did was poetically terrible

The solutions will be published next week

SOLUTION OF LAST WEEK'S PUZZLES

FUTURE OF GOLD STANDARD

Good Reason for Believing It Will Not Be Abandoned

BY F. W. G.

One of the immediate results of Great Britain's suspension of the gold standard last September has been that one by one other important countries which had previously been successful in maintaining a gold currency basis have also abandoned gold, until a point has now been reached at which it is possible to count on one hand the few countries still remaining on a true gold basis.

A number of the countries which have followed Britain's lead have, because of the closeness of their trade relations with Britain, sought to maintain practical stability of their exchange in terms of sterling, so that there is already a large part of the world which, having ceased to be on a gold basis, is now in effect upon a sterling basis. As a result of this situation very considerable interest attaches to the operations of the Bank of England, which is the instrument for putting into effect the monetary policy considered appropriate by the British Government, while at the same time it must be recognised that the responsibility of the latter is considerably increased.

The British Government in framing and carrying through its monetary policy has now to take into account not only the probable effects upon gold quotations of sterling exchange, but also the repercussions of its policy in those countries which are seeking to maintain their currency at a more or less fixed ratio to sterling. Thus, while a few important countries, such as the U.S.A. and France, are still definitely committed to gold, already a large part of the world is seeking to operate a system of managed currency largely based on sterling. This naturally raises the important question of the prospects of a return to gold at some time in the future when the immediate causes of the failure of the international gold standard have passed away.

Although the gold standard system worked comparatively smoothly and efficiently up to the time of the Great War, its operation since that time has been far less satisfactory, with the result that the possibility is now being suggested that gold may cease to be a world standard of value for the future. There are, however, good reasons for believing that the use of gold as a monetary standard will not be abandoned, and some of these reasons are given below.

It is clear that the value of gold depends upon wide acceptance of the gold standard system, and that a decision by a number of important countries permanently to abandon the gold standard would materially affect its current price. It must not, however, be forgotten that gold has for many years past held an unrivalled position as the principal monetary metal, and even to-day for a large part of the human race it is still the only form of money that inspires complete faith. This may be seen in the extraordinary gold movements of the past year. When international confidence fails, there is at once a rush to repatriate foreign balances on a scale that can only be accomplished by means of gold shipments, and, as soon as an embargo on the export of gold is imposed, the foreign currency in question is at once quoted at a discount. Even those countries which have been forced to abandon the gold standard still strive to maintain as large a reserve of gold as possible as backing for their note circulation.

The strength of the case for a gold standard can, however, be even better appreciated by considering the weakness of possible alternatives. In a world that demands the backing of note circulations with metallic reserves clearly there is only a limited scope for management on any other basis, and if, internally, the necessity of metallic reserves for the note circulation is so obvious, how much more so is it internationally? If trade between all countries not only balanced in the long run but actually from day to day, the need for some common link between the world's currencies would not arise, but, as it is, the direction and terms of international trade and finance are frequently changing, so that some monetary common denominator of universal acceptance is required for the purpose of settling outstanding balances and of measuring prices on an international basis. No one who takes a realistic view of the present international situation would venture to suggest that the world is as yet ready to accept payment of such outstanding balances, often over a considerable period of time, in a managed currency with no metallic backing.

It is now being suggested in some quarters that, since the value of gold in terms of commodities has risen so greatly in recent years, the metal should be replaced as a world standard of value by some other metal or combination of metals the value of which might be expected to remain more stable. Such proposals are, however, at present of little more than academic interest. Gold attained its pre-eminence as a monetary metal in the modern world not by accident, but because, more than any other commodity, it fulfilled the requirements shown by experience to be necessary for an international standard of value. If the operation of the post-war gold standard system has proved unsatisfactory it is because it has been called upon to fulfil an impossible task. The causes that have led to the present maldistribution of gold, and the consequent enhancement of its value, would probably have affected in like manner any other metal chosen as the world standard of value, while past experience of bimetallism, and the complexities of the silver problem, make it unlikely that any attempt in the near future to introduce a joint standard of gold and silver would prove generally acceptable.

If it is agreed that there is a likelihood of a general desire to return to gold in preference to the adoption of either bimetallism or some form of internationally managed currency, it is necessary to consider in what circumstances and how soon such a result is likely to be achieved. It is, of course, by no means certain as yet that the tide of world finance is at its lowest ebb, and the progress of financial events during the next few months, especially in the U. S. A., will be watched with the keenest interest. Responsible leaders of American finance have several times recently ridiculed the idea that the United States may abandon the gold standard, and, provided the will to remain on gold is there, and the popular demand for governmental action to improve the economic situation does not develop too far along inflationary lines, there appears at present little doubt as to America's ability to maintain the gold standard.

In any move to restore the gold standard it may be confidently anticipated that Great Britain will take a leading part. A number of attempts have been made to persuade the British Government to disclose its intentions in this respect, but without result until the Chancellor of the Exchequer opened the Budget on April 19. In the course of his Budget speech the Chancellor said: "We do not know when nor in what circumstances we might return to a gold standard nor at what level", but at the same time he announced the creation of an exchange equalisation account for which he proposed to ask powers to borrow an amount not exceeding £150,000,000. The object of this account was to enable Britain to function effectively as an international financial centre, which required her to hold adequate reserves of gold and foreign exchange in order to meet sudden withdrawals. The reason for this cautious attitude is, no doubt, that the British Government feels that international financial conditions are still too uncertain to justify the announcement of a definite policy which subsequent developments might modify or render impracticable.

Britain has undoubtedly made a wonderful recovery during the past half year or so, but it would be most unwise for her to attempt to restore the gold standard, even at a new parity, until satisfactory arrangements had been made regarding future payments of war debts and reparations. Indeed, until these most important questions have been settled once and for all in a realistic manner, it may be doubted whether any substantial progress can be made towards that restoration of confidence throughout the world which alone will ensure the smooth working of the gold standard system.

With the continued shrinkage of world trade, and the growing intensity of financial difficulties, all sorts of artificial expedients and restrictions are now being adopted in various countries with the object of preserving some degree of financial and political order, but these measures can at best only postpone the development of new crises unless the underlying causes of world stagnation are tackled in a resolute manner and a spirit of compromise. Just as it has taken a number of years for the present world crisis to develop, so it may be anticipated that much time will pass before the world as a whole succeeds in pulling itself out of the bog into which it has fallen. Those countries will first recover which face the unpleasant facts and take the necessary steps to put their house in order. The conduct of foreign trade is so closely bound up with the stability of the exchanges that no effort should be spared to secure such a settlement of outstanding international obligations as will permit the exchanges to function once again in a normal manner. The machinery of the gold standard is quite effective for its proper purpose, but obviously it cannot perform an impossible task. The sooner this is realised, the sooner the world will find itself back on firm ground, with some hope of an improvement in world economic and financial conditions.

PRICES of rice dropped by approximately a dollar a picul during the past two days. According to the rice merchants, the drop in price was not because of fewer demands for the grain or the non-arrival of rice junks, but due to the fact that bankers were reluctant to grant loans to the rice merchants with the result that the latter were compelled to dispose of their rice stocks to meet their obligations.

THE weekly return of the Public Health Department, S.M.C., for the week ending June 25 shows that there were five deaths amongst local foreign residents and 268 amongst the Chinese from various causes. The figures for the previous week were 12 and 184, respectively. There were 82 cases of cholera, five of the sufferers being foreigners (with six deaths), 18 cases of relapsing fever amongst the Chinese and one case of typhus.

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THE BOOK PAGE

SIR ERNEST BENN AGAIN

HONEST DOUBT. Being a collection of papers on The Price of Modern Politics. By Sir Ernest J. Benn. Benn, London 6/-

Sir Ernest Benn has contributed yet another volume to his virile exploitation of the policy of the art of destructive criticism. But he justifies himself by the contention that criticism has been replaced by committees; which, in fact, implies a state of stagnation. His trenchant indictment of conferences which do not come to any definite conclusions will be received with sympathetic consideration by many people. As an expounder of economics Sir Ernest has vigour and a real journalistic sense, without, it is to be feared, a sufficient appreciation for the theoretical side of the science itself. An effective chapter, however, is the one on "The Rake's Progress" in which he shows that despite the good intentions of Members of Parliament it has been quite impossible to carry out much-needed retrenchment by which alone the permanent restoration of Great Britain's equilibrium can be achieved. Nor is Sir Ernest inclined to spare the feelings of any party in the state:—

.....the Liberal Party has a new policy in a different coloured cover every year, the Conservative Party has no policy, and the Socialists leave their literary colleagues to continue the quest of a definition of their beliefs, while the Party itself, like the modern burglar with his motor-car, carries on gaily the game of smash and grab.

But this book is worth reading alone for the first chapter in which Sir Ernest champions the right of England to think more nobly of herself than her apologists sometimes appear to believe possible:—

We, the inhabitants of a little island, having from nature no qualifications for leadership which might not attach to Holland, Belgium or Denmark, are in fact the leaders of the world, and much harm has been done everywhere abroad by our own forgetfulness of this important fact during and since the war. A study of the development of modern civilisation leaves no doubt that it is founded on English institutions, and that the world owes it to the English genius. In the days when everybody recognised that Britannia ruled the waves, England did things and the rest of the world copied them. Those were the days when progress was rapid and real. Those were the methods which lifted the world from the condition described by Macaulay in the famous third chapter of his History, into the kind of life with its comforts, conveniences and securities such as we knew a few years ago.

and he comes to this conclusion:—

For these reasons it is of great importance that we should begin again to think of England, not so much as we know it, but as foreign countries knew it—the England which depended for its life upon the good opinion of the world, a dependence no less real to-day, and which won that good opinion by the quality of its actions and by the courage to take action on its own responsibility, out of its own experience and sense of right. Let us put the question in a simple and direct way: does the world think as well of us as it did? Is our position in the world better or worse than in the days when there was a little more splendid isolation in our policy? Is our prestige, our credit or our character, improved by the modern habit of crawling to conferences to ask the delegates from less experienced lands what they think they would like us to do? The captain of a cricket team does not add to his popularity by calling committees of batsmen and bowlers—by that method he would lose his job. And yet from deference to a false conception of democracy, from faithlessness to the principles of right and justice, we have fallen to those methods.

Temptation to quote from this passage is great, but a journalist may perhaps be forgiven if he adds this one:—

To attempt to catalogue all the many ways in which our real world leadership can be demonstrated would be tedious, and one or two other illustrations must suffice. We are the news centre of the world, a fact which does not depend merely upon the circumstance that we provided the world with telegraphs and cables. The world looks to us for its news, as it looks to us for its banking security, because of our character. News from London is accepted with a confidence that does not attach to news telegraphed from other centres. These are not the sort of things that we like to talk about, and they are only mentioned here because of the necessity for bringing ourselves back to that restrained and dignified and silent appreciation of our old position, which for the moment we have lost. Incidentally our supremacy as the world's news centre may be in some danger if we do not watch most carefully the development of the wonders of wireless .....

Those who have studied the recent developments in Reuter's Service will realise that these considerations are not being lost sight of by the premier British agency.—E.H.

MONEY TALKS

MONEY POWER. By Fred Henderson. Allen & Unwin, London. 6/-

Money Power in its relation to human life is Mr. Henderson's latest and valuable contribution to the literature of finance. A previous book dealing with the economic consequences of power production created quite a flutter in the financial dovecots and it goes without saying that his latest work will cause an equal if not a greater sensation. He enters very wholeheartedly upon a study of the financial situation of the world to-day which is chiefly responsible for all the international conferences, commissions, etc., etc., which are called into being from month to month and year to year by the so-called Great Powers but which to the man in the street appear to bring us "no forrarder." Mr. Henderson states his problem very clearly, enters into a close analysis of the monetary system and ends up on the basic realities and the new outlook in powerful chapters which must call for considerable attention. He does not hesitate to call a spade a spade and his views will not be to the liking of what are known as the financial "powers behind the scenes." He is quite frank also in his ideas of what other people will think of his views. Having given one of his explanations of the "mysteries" of sound finance, he goes on to write:

"And if this seems to you to be an almost incredibly lunatic explanation of our present troubles, I beg of you to hold constantly in mind that what we are seeking is an explanation of the quite incredibly lunatic spectacle of human deprivations in the midst of plenty flowing from human activities ..... We may make up our minds to begin with that the poison berries of the world's present miseries are not the fruit of some innocuous apple-tree which merely needs pruning."

It is an arresting book—not one for an hour or two's light reading but one, rather, for serious study and reflection.—J.W.F.

A RETURN TO NATURE

THE CALL OF THE BUSH.—By Harold Priest. Laurie, London. 12/6.

Mr. Priest took a holiday from herding horses by following on foot the Murray and Darling Rivers from New South Wales to Queensland. It was a "return to nature;" he took practically no stores, no clock, compass or calendar; he carried in his kit a tent-fly 8 feet by 6 feet, a blanket, a .22 rifle and ammunition, an axe, a knife fitted with tools, a telescope, a burning-glass, fish-hooks, needles, a lancet, formalin and permanganate. For some four months he slept in the open, living on rabbits, ducks and ducks' eggs, fish, tortoise, opossum, emu, wild honey and milk from goats he lassoed. Snake meat he found palatable but kangaroo too strong; the skins he cured roughly and used for shoes and clothing. Gastritis attacked him, followed by skin inflammation from ticks, eye trouble from flies, and severe ulcers ultimately cured by a diet of boiled stinging nettles. The book, illustrated by a few good snapshots, gives to anyone who can imagine the background of heat, eucalyptus trees, and insects, a clear picture of the Australian bush; it includes some natural history notes but others are being kept for a further publication.

The reader may be reminded of "Walden" but there is only too much evidence that the author is not Thoreau. Mr. Priest says he possesses

....a somewhat cultivated sense of the beautiful and poetic in nature and a more or less scientific understanding of some of her processes.

The book tends to confirm this. His descriptions of scenery are so artificial and his musings so self-conscious as to be irritating. Split infinitives are plentiful and that transition from "one" to "his" which used to be anathema to schoolmasters. Mr. Priest says for example that in solitude

....one loses faith in himself and everything. His dearest beliefs are the errors of an anomalous refractive thinking mechanism.

A fairer quotation would perhaps be this problem:

...."whether it is nobler to be a simple, thoroughly happy and healthy Robinson Crusoe....or renounce your coral strand, your sun and sea complexion, your palm-shadowed luxury and peace, to suffer asphyxiation in a city and become a pale Pelmanist for the public good?

Mr. Priest should be encouraged to try again.—ALVA.

CHINA'S OWN ANNUAL

THE CHINA YEAR BOOK 1932.—Edited by H. G. W. Woodhead, C.B.E. North-China Daily News & Herald Ld., Shanghai. M.$20.

Reference to this publication has been made in a leading article yesterday. This 800 page issue of "The China Year Book", the fourteenth of the series, again shows the advantages obtained by the new style of production consequent on the transfer of the Year Book to its present publishers. With this new dress, fortunately, the old has been well retained. That is to say, the Editor's grasp of the kind of information required for the student of Chinese affairs is displayed by the presentation of a mass of excellently written and authoritative articles, in many cases by acknowledged experts.

It is difficult for the reviewer to single out any particular feature for special praise. Of great interest is the chapter on the history of the Kuomintang, brought up to date as recently as February 1932. In explaining the split in the Kuomintang of last year and the negotiations which led eventually to the resignation of General Chiang Kai-shek, good use has been made of various Chinese publications, notably Dr. M. T. Z. Tyau's "Two Years of Nationalist China." But for the moment the Editor's chief achievement will be found in Chapter XXIII which outlines the development of Sino-Japanese hostilities in Manchuria and Shanghai. Realising the controversial nature of these issues and the danger therefore of embodying in a year book a narrative form of recital, Mr. Woodhead has restricted himself to the publication of relevant official documents to the number of nearly 150. This gives the reader an ample opportunity of verifying the chief factors in the dispute.

There is a chapter on Treaty Negotiations and other international issues, which is of great value. But here an omission must be noted. The Editor's scrupulousness in keeping his book free from partisan presentation of events precludes the suggestion that there has been anything more than an oversight, which is not altogether unnatural considering the complexity of Chinese politics during the last twelve months. This oversight results in the account of the negotiations between Sir Miles Lampson and Dr. C. T. Wang terminating sharply with a brief allusion to the resumption after the temporary breakdown in May, and a reference to Hansard would probably have put the matter on a clearer basis for the instruction of the reader. This, however, is an omission which can be easily rectified next year. Otherwise it remains to congratulate Mr. Woodhead on his success in enhancing the reputation of the most valuable work of reference dealing with affairs in China.—E.H.

POST-WAR FINANCE

THE FINANCIAL AFTERMATH OF WAR. By Sir Josiah Stamp, G.B.E. Benn, London. 6/-

This is a series of collected lectures intended to convey in the simplest and most elementary terms the chief facts and considerations about post-war finance. The book might be commended for the higher classes of schools because of the simplicity of the distinguished author's presentation of his subject. He starts off with defending and explaining taxation and especially elaborates the aftermath of war in taxation. Sir Josiah considers that the War greatly helped in raising the standard of living by exposing social emergencies and it also showed what an immense amount of wealth there was available for taxation by the Government in Great Britain. No doubt the tax-payer will look upon this severely professional view as exceedingly uncomfortable.

Inflation comes next into the picture and the evil effects of it as shown in Germany, Russia and France are well portrayed. The contra-processes of deflation are shown to have the disadvantages of giving rentiers an increasing and unnecessary proportion of the national production, wage earners a greater real reward than they are producing, a heavy budget for the relief of unemployment, and depression to business generally.

Dealing with Reparations, Sir Josiah points out that the only way of paying them now is to make Germany the complement and not the rival of her creditors. That, of course, is an impossibility and the influence of tariffs and deflation taken together have catastrophically affected the whole situation thanks to the stupidity of democracies and the cupidity of political parties.

The difference between internal and external debts is explained, and in the last chapter Sir Josiah Stamp discusses the gold standard on which the League of Nations' Committee has just so ably reported.—E.H.

A SYMPOSIUM

THE CAUSES OF WAR.—By Sir Arthur Salter, Sir J. Arthur Thomson, G.A. Johnston, Alfred Zimmern, C.F. Andrews, Frederick J. Libby, Henry A. Atkinson, Wickham Steed and Others. With Introduction by Ruth Cranston. Edited by Arthur Porritt. Macmillan, London. 7/6

These articles have been prepared under the auspices of the World Conference for International Peace through Religion. The Commission itself included a number of distinguished men and women capable of discussing the subjects under consideration but many of them rather too severely limited in their outlook. Sir Arthur Salter, whose article is given pride of place, produces a succinct summary of the causes of war and avoids unnecessary emotion. He comes to the conclusion that:

In present conditions in Europe a country is unlikely to initiate or threaten war to secure an economic result, but an enduring sense of economic grievance may inflame a general national antagonism to the point of imminent danger. It is very easy, but very unwise, to neglect the more deep-rooted and enduring cause for the one which, especially when danger is imminent, is the more obvious.

* * *

The principal classes of cases in which Governments intervene or may intervene in economic competition, and so cause the dangers to international relations are: (1) Commercial Policy; (2) Population Problems; (3) Credit, Currency and Capital Problems; (4) Transportation Problems; (5) Raw Material Problems; (6) Diplomacy in Relation to Competition; (7) Internal Social Trouble and its Political Reactions.

* * *

What is most needed is effective world agreement as to the principles which should guide Governments in the action they take affecting the economic interests of other countries, and therefore international relations.

Mr. G. A. Johnston pleads for the closer coordination of the study by various experts of the world's economic balance, from which he feels that greater equilibrium would be secured.

Mr. C. F. Andrews, whose inability to dissociate political emotion from actual facts is only too well known, harps on the theme of racial arrogance, with no great conviction to the reader. Mr. Andrews is really incorrigible on this subject, for he seems to think that any lie, even if it has been exposed time and time again, is good enough to bolster up his otherwise well-intentioned theses.

Mr. H. A. Atkinson deals with religion as the cause of war and suggests that it would be better for religion in itself to be a cause of peace.

Sir J. A. Thomson refuses to accept the view that inventions are to be blamed for war and points the way to the solution of this difficult problem by means of better appreciation of the power given by scientific discovery:

Since war as an instrument of national policy has been renounced and, by renunciation, ostracised; since armaments cannot lawfully be used save in self-defence or in collective action against a law-breaker, their lawful function is no other than a police function, individually or jointly discharged, in the service of an international law which the outlawry of war has revolutionised.

The postulate of international, as of social, peace is that the law should be, and should be known to be, strong and strongly supported by public feeling. When this postulate has been fulfilled, the political causes of war will disappear, and the path of mankind will run towards the highest and hardest task men have ever essayed—the creation of peace.

This is an attractive symposium, but, as already indicated, it is vitiated by the introduction of too much reliance on emotional fervour and it does not sufficiently cover the realities of the world situation.—E.H.

SOME NOVELS

THE DEVIL SNAR'D.—By George R. Preedy. Benn, London. 9d

This is an unusual novel and a good example of George Preedy's style. A modern domestic tragedy is allied to a ghost story in an ancient country house. It works out in the approved fashion, the moral being that the tragedy of to-day might have been avoided had the couple not been so beset by the force instigated by the ghostly traditions of their residence.—E.H.

* * *

THE KESTREL HOUSE MYSTERY.—By T. C. H. Jacobs. Stanley Paul. London 7/6

The author takes the old theme of a mysterious individual, appearing quite averagely honest, but at the same time assisting a master-crook to indulge in scientific experiments of the most inhuman character. Nevertheless he manages to give his readers a well-knit plot and a narrative which never falters, in fact he maintains the best standard of detective fiction.—E.H.

BOOKS RECEIVED

MODERN INDIA THINKS.—Compiled by K. R. Luckmidas. Taraporevala, Bombay

HOLLAND'S MODERN RENASCENCE.—Dr. A. C. J. Jitta. Nijhoff, The Hague

PURDAH.—F. Hanswirth. Kegan Paul

DANGER IN INDIA.—G. Tyson. Murray

FICTION

JANE AND THE LOCUSTS.—A Stokes. Benn

MONKEY PUZZLE.—Baroness von Hutten. Long

I WAS THE MAN.—P. Frankau. Hurst & Blackett

A VIRGIN IN MAYFAIR.—B. Cartland. Hutchinson

WHEN THE GANGS CAME TO LONDON.—E. Wallace. Long

THE DARK CASTLE.—K. C. Thomas. Jarrolds

THE FLAMING STALLION.—J. McCulley. Hutchinson

THE VANISHING MURDERER.—C. J. Dutton. Hurst & Blackett

STILL WATERS.—F. van der Water. Skeffington

DEATH FLIES HIGH.—D. L. Teilhet

DEVIL SPIDER.—G. Green. Hutchinson

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THE WOMAN'S PAGE

SUMMER READING

Books for Differing Moods: Bon Marche Auction: Lane Crawford's Annual Sale and Others

BY MARTHA

"A book of verses underneath a bough—" Omar Khayyam travelled light when he went on his holidays. A book, a jug of wine, a loaf of bread and the all-important "thou" sufficed him. But observe that he insisted upon mental as well as physical fare.

Summer of course is the out-of-doors season. No one advocates poking about in musty libraries or giving up a game of tennis in favour of the book of the month. Nevertheless, except for those youngsters who have apparently solved the problem of perpetual motion, there come quiet times when the appropriate books enhance the value of holiday leisure.

Nor need all summer reading be light reading. Freed from the demands of business or social entanglements the mind attacks with fresh zest the books on political and sociological subjects abandoned after half-hearted investigation during the winter. Summer is the time to do a little of the serious reading one has been avoiding on the plea of "no time," to digest a few of the volumes one has been wanting to read for months.

Those of us who have missed reading Rodney Gilbert's trenchent collection of essays entitled "What's Wrong with China" may have the opportunity of reading them in the new edition now obtainable from Messrs. Kelly and Walsh. The author explains his purpose as being "to give the reader such an insight into the historical and environmental background of the character of the Chinese people, as will enable him to understand their otherwise inexplicable attitude towards aliens in China and their equally mystifying part in international relations." Mr. Gilbert's long residence in this country, original point of view and brilliant style make this book well worth reading.

Another book on this subject which Messrs. Kelly and Walsh have in stock is "The Capital Question of China," by Lionel Curtis. Mr. Curtis begins with the dawn of Chinese civilisation and broadens out as it approaches recent events, particularly since the War and the Washington Conference. The author's recent visits enable him to speak with special knowledge of present conditions. The "Observer" says of him, "He writes with sympathy and humanity and is not afraid of the emotion of compassion."

"Public Affairs," by Barbara Worsley-Gough may sound like a political thesis, but it's not, just a modern, witty, brilliant first novel which the "Sunday Times" calls "the wittiest and most engaging and most deliciously irresponsible frolic that has appeared since 'Vile Bodies' was published. Miss Worsely-Gough has actually succeeded in making a little group of Bright Young Things really bright. . . A kind of matrimonial General Post being played. . . The Victorians might have pretended to be shocked, but its little naughtinesses are of the right kind."

Another fascinating book to be had at the same shop is "Broken House" by Ambrose South, which G. B. Stern describes as "one of the most vivid chronicles that I have ever read" and Sheila Kaye-Smith calls it "a book full of beauty and truth." Still another book recommended by those who know is "Fugue," by Olive Moore. Compton Mackenzie says it is "full of wit and profound observation;" the "Daily Telegraph" guarantees that "you have never read a novel quite like 'Fugue'" and Roger Pippitt in the "Daily Herald" states that "Miss Moore has a soaring wit and a searing imagination."

For the last an unique volume "Why Birds Sing," by Jacques Delamain, an ideal holiday book of which Maurice Maeterlinck says "A book that I have often dreamed of writing." Romain Rolland says, "All the perfumes, the sounds of the wind, the music, the verdure of our woods and fields, our skies and rivers are set down with an enchanting delicacy."

And now that these stimulating and rewarding books are as good as bought one may look around for other holiday furnishings. One thing to be very especially noted is the auction to be held this week Thursday of the dresses, hats, accessories and fittings of the Salon Au Bon Marché, 1169-71 Bubbling Well Road. The exquisite afternoon and evening dresses, jumpers, bags, hats and materials of this exclusive shop will be at the command of the cleverest bidder and a sale of unusual interest should result. Messrs. Noël, Murray and Company are conducting the auction.

Christmas isn't the only thing that comes but once a year—Lane, Crawford's Summer Sale does too, and brings almost as much cheer. When it comes to Kayser stockings, sizes 9½ and 10 only, formerly $10. and now only $3.95 that fact in itself is enough to make the sun break through the clouds. And McCallum hose in grey and white are selling for $2.50 instead of $6.50. Underwear, fancy voiles and cambrics and a few special bargains in bathing suits are other things to look up in the Drapery Department.

In household linens there are big mark-downs on bath mats, bed spreads, sheets and pillow-cases and towels. Oddments in Community Plate are to be had at phenomenal prices, not spoons and not whole sets, but wonderful bargains in such things as lettuce, pickles, cold meat, table, dessert and pie forks and gravy and cream ladles. Flowers are reduced by 15 per cent. and millinery by 20 per cent.

Men are well looked after in underwear, white poplin shirts, Viyella golf hose, silk hose, tennis shoes, straw hats, Spalding Tennis Marking Tapes and waterproof head covers for tennis rackets. These are by no means all the interesting items but these high spots may help shoppers to steer their course.

Talk about clouds having silver linings—these rainy days in addition to keeping the temperature down have also interfered with the sale of straw hats. You know how it is—no one is going to feel terribly enthusiastic about buying an elegant hat to wear out into the midst of a typhoon. And straw hats are like soufflés and pop-overs and first loves—they won't keep. Consequently the importer has to get them off his hands this season and his loss is our gain because at Whiteaway's one can buy hats at just half price, including a shipment which has just arrived.

Other items of interest at Whiteaway's are bathing suits, lace flouncings, voiles of all descriptions, some lacy Swiss patterns, others with a Broderie Anglaise effect simulated by embroidery in white; silk voiles failles and linens, printed silks, sun helmets for men (for there is sure to be a sun in July and August) and even lawn mowers!

To be sure Messrs. Hall and Holtz are selling out millinery at half price, and the smartest and newest of this summer's straws in this collection, too, but it is the gentlemen who are getting special innings in underwear, hose, hats, shirts, tennis togs, ties and any number of other useful items.

Beach Togs at the Sea Captain's Shop have created a riot. The sale with its three price divisions has proved extremely popular and the only reason the stock hasn't been cleaned up is because extra tailors have been requisitioned to meet the demand for these saucy beach pyjamas, swagger yachting slacks and bifurcated lounge suits. It's remarkable what values one gets in every section. For $15—gay cotton one-piece affairs, some with coatees; for $18—two piece suits in raw silk, pongee and Fuji silks, a wide variety of original designs, many with coatees; for $25 lovely silk and brocade confections, artistic colour combinations and beautiful materials. The materials in some cases must have cost more than the sales price.

THE 8th Fair to be held in Oslo this year between September 4 and 11 will be of special interest as it will enable the visitors to get an excellent general review of all articles of merchandise produced for export. As five years have passed since the last Fair was held, it is expected that this year's Fair will be even more representative than the last one, and a great number of interested visitors is expected. Moreover, the early part of September in Norway is admirably suited for all those who would like to combine their business with a pleasure trip and spend a few days visiting the many beautiful places of the country.

A MAYFAIR NOTEBOOK

A Sunny London: The Military Coat and the Postman's Hat: Empire Day Menues

BY PHILINE

London, May 28.

London has had its first taste of Summer. It is true that the first heat wave did not last many days and ended in torrential rain that wraught much havoc in the country. But those few hours of sunshine and clear blue skies, those few warm, moonlit nights, were encouraging to a townsfolk who have not had their rightful share of Summer weather for several years. London in late May or early June should look at its very best. And, last week, it did.

Hidden away behind the rather stolid, drab frontages of Mayfair homes are some very pleasant gardens and it was here that many hostesses, in the throes of seasonal entertaining, took the opportunity of transplanting their dinner parties out of doors. Débutantes enjoyed their meals from white-clothed, flowed-decked tables, set upon green lawns, with Chinese lanterns swaying overhead and the moon lending just the right atmosphere of romance to the scene.

On hot afternoons and nights, too, Lady Cunard's lucky friends have discovered that there is no more restful place than this hostess's Grosvenor Square ball room. Here Lady Cunard's Marie Laurencin pictures are all framed in mirrors which give the impression of limpid waters. Tall lilies stand in vases against pale green walls and, downstairs, where refreshments are served, the lighting effects, concealed in big clouded-glass columns, give a welcome impression of blocks of solid ice.

Every day, now, parties are being given in almost every house in Mayfair. Temporary rooms are made out of hallways and balconies are roofed over with awning to provide additional space for dancing. One of the most interesting balls of the season is that given by Mrs. Humphreys-Owen for the coming-of-age of her daughter, Elizabeth, who is laughingly called a true Victorian by her friends. As a modern débutante she is something of an original, for she never smokes or makes-up, has not shingled her hair, but wears it in old-fashioned plaits over her ears. Chaperons will be numerous at her ball, for none of her guests have been invited without their mothers or elder sisters. At the dinner party, which will precede the ball, this young lady is having "card" dinner tables. Each male guest will be handed half a playing card and told to find his queen of hearts or ace of spades and take her to the table decorated in that suit.

Is there any shopping quite such good fun as shopping for children and buying fairylike frocks in pastel shades of frilly muslin and silk? The Queen spent a busy morning the other day in the sale room of the Working Ladies' Guild. She was delighted with the work she saw and chose at once three frocks for Princess Margaret Rose. One of these was of an unusual design in white checked organdie muslin with "buds" of pink ribbon at neck and waist. Another was of white organdie with deep vandykes of blue, and the third of palest blue organdie. All had dainty little puff sleeves and ribbons at the waist.

The Queen's purchase for Princess Elizabeth was a blue and shrimp flowered dress, trimmed with a demure white collar and cuffs, and for her niece, Lady Mary Cambridge, who is quite a big girl now, an apple green washing silk frock ornamented with French knots and cream silk collar and cuffs.

The Queen is foremost in encouraging the new movement to eat only Empire grown food on May 24, so, no doubt, many English menues for that day will read something like this: New Zealand whitebait, Aylesbury duckling, African orange salad, asparagus, and pears on strawberry ice with Palestine sauce.

On Empire Day Mrs. Stanley Baldwin is giving the first garden party of the season at No. 11 Downing Street and Miss Ishbel MacDonald, her next door neighbour, is lending the lawn of No. 10. The five hundred guests can gather comfortably on this communal lawn as no wall divides the two gardens. Mrs. Baldwin's cook is making delicious cakes for this occasion and dances never before seen in this country will be performed for the guests entertainment.

Until to-day we Londoners have worn our hats pushed as far back on our heads as possible. But now we reverse the order and tilt them forward, so that the vision of one eye is almost blotted out. And this is where the new "Postman's Hat" makes its appearance. It has a flower-pot crown, flat on top and tapering, and is worn at a jaunty angle, to suit the broad shouldered, military coats with their brass buttons and epaulettes which have found favour with us this Spring. Some of these new models are called by amusing names, as, for instance, "London Mail", "Postman's Knock", "Wash and Brush Up" and "Hurrah Huzzar".

Another feature at a recent millinery display was the ventilated caps, which should be a boon and a blessing if we do have any really fine weather this Summer. One of these caps was made of flimsy straw and had large slots in the crown showing the hair. Another cap consisted simply of a band of straw, with a felt ribbon slotted, between wide gaps, over the crown.

As most of the latest, fashions in hats, whether they be ventilated caps or postman's hats, still leave a great deal of the hair exposed to the light of day, hairdressers find no fault with them. Hair, these days, must be exceedingly tidily dressed and most busy women find their locks rather a problem. To acquire the right sleekness and sheen under a rakishly titled brim, a West-End hairdresser gives the following advice. Rub into the roots a little pure olive oil every day for a week. Afterwards, take a clean huckaback towel and gentle away the oil. Brush the hair well every morning—not at night time—using the best bristle brush you can afford.

At the end of the week, have a good shampoo with distilled water, using a camomile shampoo if your hair is chestnut or fair. It is an excellent thing to smooth down the hair every day with a silk handkerchief. Begin at the crown of the head and lightly rub downwards. Throughout the summer months, take every opportunity of getting the ends tapered and clipped. Keep on the dressing table a very fine spray filled with a good scented friction and spray the hair about twice a week. It will be found that this helps to keep it sleek and easier to push into wave. Platinum blondes must keep their hair free from sea water, and silver blondes should avoid damp climates, rivers and lake resorts! Happy brunettes can brave the sun.

Not content with applying powder and rouge to the cheeks and red to the lips, Paris has turned her attention to the eyelashes. She has now decreed that nature has not made eyelashes half as beautiful as they might be. So she has divised a means of planting artificial lashes in the eyelids. These Parisian lashes are not real hair at all, though it is difficult to distinguish the false from the real. The grafting process, I am assured, is simple and painless. Three lengths of lash are available: very long for stage and screen purposes, shorter for the ordinary wearer and quite short for older women. They can be had in almost any colour and a very dark blue is said to give the best result!

POLISHING CUT GLASS

To give a lasting finish to cut glass ware something more than the usual washing with hot soapy water is necessary. The following may be recommended either as a substitute for or in addition to the ordinary method. Make a paste of calcined magnesia and benzine and apply it to the glass with cotton wool. Leave for a few moments and then polish with a linen cloth or white tissue paper. This treatment brings out all the lustre of the glass and gives it a more permanent polish.

STEAMED BEEF

Steamed beef is a welcome change from the usual roast beef which is served regularly in most households. Grease a large basin thoroughly with dripping and place the meat inside. Add salt and pepper and two sliced onions, and place the basin in a saucepan of boiling water. The water should reach to two-thirds of the depth of the basin and should be kept boiling for about four hours. Replace the lid on the saucepan during the cooking process. Meat cooked in this manner retains all its juices and is exceedingly tender.

BIRTHS

ALDEGUER.—On June 25, 1932, at Ste. Marie's Hospital, Shanghai, to Mr. and Mrs. T. J. ALDEGUER, a daughter.

FERRAZZANO.—On June 20, 1932, at Kuling, to Captain and Mrs. E. FERRAZZANO, a daughter.

GONSALVES.—On June 22, 1932, at The Faber Hospital, Tsingtao, to MR. and MRS. A. M. GONSALVES, a son, CARLOS ROBERTO.

MACFARLANE.—On June 26, 1932, at the Country Hospital, Shanghai, to CHARTERIS, wife of of Mr. R. Macfarlane, a son.

MELLOR.—On June 26, 1932, at the Country Hospital, Shanghai, to Mr. and Mrs. W. MELLOR, a daughter.

DEATHS

COOK.—On Friday, June 24, 1932, at the Country Hospital, Shanghai, ANN MARSTON COOK, aged 2 years and 3 months, dearly-beloved twin-daughter of Winifred Janet Ann Herbert Marston Cook.

MCNAMAR.—On Thursday, June 9, 1932, at the General Hospital, Shanghai, LIEUT. JULIUS ALBERT MCNAMAR, United States Navy. The body will be sent to Newark, Ohio, for burial.

HEIM.—On Friday, June 17, 1932, in Shanghai, RODNEY KEELER HEIM, aged 25 years.

WONG CHUK SAM.—On Wednesday, June 22, 1932, at the Paulun Hospital, Shanghai, WONG CHUK SAM, aged 65 years.

IN MEMORIAM

DE OLIVEIRA.—In ever loving memory of MARIA DE OLIVEIRA, who passed away on June 28, 1930.

MARSHALL.—In loving memory of CHARLES WILLIAM MARSHALL, who passed away, June 25, 1930.

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VESSELS DUE TO ARRIVE

Ships are shown under the port at which last reported. The first date against a ship's name is the date of departure (or when the ship has not left the probable date of departure) from that port. The second date shows when the vessel is due at Shanghai. Vessels sailing from all ports of the world are given.

EUROPE, etc.

From LONDON		Due Shai
Mantua	May 27	July 3
Glenshane	May 21	July 6
Kashmir	June 4	July 13
Benvenue	May 28	July 14
Rawalpindi	June 10	July 17
Glenamoy	June 4	July 20
Yasukuni M.	June 17	July 22
Benarty	June 11	July 27
Burdwan	June 18	July 30
Ranpura	June 24	July 31

From LIVERPOOL		Due Shai
Machaon	May 28	July 9
Ag'emnon	June 4	July 14
Perseus	June 11	July 21
Patroclus	June 15	July 26
Teiresias	June 20	Aug. 3

From HAMBURG		Due Shai
Trier	—	July 4
C. Florence	May 14	July 5
Ermland	—	July 15
Aller	—	July 16
Taiwan	—	July 16
Medon	May 28	July 17
Sauerland	—	July 25
Celtic Star	June 11	July 25
Formosa	June 15	July 30
Thalatta	—	Aug. 2
Alster	—	Aug. 3
Arendskerk	June 27	Aug. 15
C. Melbourne	June 25	Aug. 17

From ROTTERDAM		Due Shai
Trier	May 19	July 4
Danmark	—	July 6
Meerkerk	—	July 18
Java	—	Aug. 7

From MARSEILLES		
G Metzinger	June 3	July 8
Angkor	June 17	July 22

From PORT SAID		
Danmark	—	July 2
Mantua	—	July 3
Trier	—	July 4
C. Florence	—	July 5
Danmark	—	July 6
G.Metzinger	—	July 8
Glenshane	—	July 8

From PORT SAID		
Machaon	—	July 9
Kashmir	—	July 13
Ag'emnon	—	July 14
Ermland	—	July 15
Taiwan	—	July 16
Aller	June 16	July 16
Medon	—	July 17
Rawalpindi	—	July 17
Meerkerk	June 17	July 18
Glenamoy	—	July 20
Perseus	—	July 21
Yasukuni M.	—	July 22
Angkor	—	July 22
Sauerland	—	July 25
Celtic Star	—	July 25
Patroclus	—	July 26

From MELBOURNE		Due Shai
Nellore	June 3	July 7
Tanda	July 1	Aug. 8

From COLOMBO		
Trier	June 15	July 4

From CALCUTTA		
Sirdhana	June 10	July 3

From BALIKPAPAN		
Tjisondari	June 27	July 12
Tjiliwong	June 21	July 14

From SOERABALA		
Tjisondari	June 23	July 12

From BATAVIA		
Tjibadak	June 22	July 2

From SINGAPORE		
Mantua	—	July 3
Trier	—	July 4
C. Florence	—	July 5
Glenshane	—	July 6
Danmark	—	July 6

From HONGKONG		
Sirdhana	—	July 3
Mantua	—	July 3

From MANILA		
E. Japan	June 27	July 3
P. Wilson	July 2	July 7

AMERICA AND JAPAN

From NEW YORK		Due Shai
S. Willow	—	July 2
P. Adams	May 19	July 4
P. Hoover	May 26	July 8
Menestheus	May 26	July 11
P. Harrison	June 2	July 18
Cing. P.	—	July 20
S. Yew	—	July 21
P. Jackson	June 9	July 22
P. Hayes	June 16	Aug. 1
P.Mckinley	June 23	Aug. 5
Glaucus	June 25	Aug. 10
P. Pierce	June 25	Aug. 15
Siam P.	—	Aug. 15

From SAN FRANCISCO		Due Shai
P.Adams	June 10	July 4
Shinyo M.	June 16	July 8
P. Hoover	June 17	July 8
Shinyo M.	June 16	July 8
P.Harrison	June 24	July 18
Chichibu M.	June 30	July 19
G. Sun	—	July 23

From PORTLAND		Due Shai
Nevada	—	July 14
Oregon	—	July 16

From SEATTLE		
P. Madison	June 25	July 12
Hikawa M.	June 29	July 20

From VANCOUVER		
E. Asia	June 18	July 3
Protesilaus	June 22	July 19

From KOBE		
Mirzapore	—	June 29
Thurland Castle	—	June 29
S. Willow	—	July 2
E. Asia	—	July 3

From NAGASAKI		
Nagasaki M.	July 1	July 2

PASSENGER LIST

INWARD

Per P. & O. S. Rajputana, June 19. From London. Mr. and Mrs. O. V. R. Basham, Miss M. Bryne, Maj. V. R. Burkhardt, Miss M. L. Dodds, Miss M. E. Grant, Mrs. W. J. Lawrence, Mrs. A. E. Murray, Mr. J. Robson, Cdr. H. A. Shears, Lt. W. V. Stitt, Mr. and Mrs. A. R. Turner, Miss J. H. Main, Sgt. Lt. F. W. Fosbery. **From Marseilles.** Mr. F. S. Crawford, Mrs. K. Somekh, Mr. H. Somekh, Mr. S. Meilman. Mr. and Mrs. A. MacGregor, Mr. A. E. Baker, Mr. N. R. Peploe, Mr. W. Hughes. **From Colombo.** Mrs. J. Williams, Mrs. Z. B. Da Silva. **From Singapore.** Miss W. D. Ormwood, Mrs. M. Baker, Miss M. A. M. Looker, Mr. P. Mackenzie, Mr. F. E. Shaw. **From Hongkong.** Mr. A. Mackenzie, Rev. T. Barclay, Lt. J. H. Black, Dr. and Mrs. P. F. S. Court, Mrs. D. K. Kovach, Mrs. G. Macary, Mr. R. L. Wyllie, Mr. N. V. Peters, Mr. L. C. Boyd, Miss C. Sireff, Mrs. V. A. Quin, Mr. N. Godfrey, Mr. B. Zipper, Mrs. A. Murdock. **From London.** Lt. S. E. Post, Lt. S. M. Terry, Lt. W. S. Donald.

Per R.D.S. President Polk, June 20. From San Francisco. Margaret Calhoun, John Calhoun, Betty Calhount, Harold Copper, Frances Dunlay, Jeanette Hall, Evelyn Huff, Alicia Huff, Howard Huff, Marie Karlen, Rene May, Edwin Norman,. Olive Riley, Christine Skidmore, Walter Wilson, Norah Wilson, David Wilson, Lester Williams.

Per R.M.S. Empress of Japan, June 22. From Vancouver, etc. Mr. and Mrs. Butland, Mr. and Mrs. C. R. Hargreaves, Miss K. M. Hargreaves, Mr. W. J. Sterquelle, Mr. M. W. Stranack, Miss W. S. Stranack, Miss B. L. M. Stranack, Mr. H. S. Weed, Mr. T. Ward, Lt. Col. L. M. Cosgrave, Mr. F. Miller, Mrs. G. Robinson, Mr. C. Holstein, Mr. G. Robinson, Mr. R. Sanderhoff, Mr. P. A. Bell, Mrs. B. Gilman, Mr. B. S. Trani, Mr. D. Chanji, Mr. A. K. Baria, Mr. S. M. Irhni, Mr. A. Irani, Mr. and Mrs. E. F. Tatum, Miss R. M. Tewpsbury, Miss B. Fitzpatrick, Miss L. Stone, Miss A. Shaw, Mrs. E. Fisk, Mr. J. Holdsworth, Mr. C. Stevenson, Mr. and Mrs. Chas Young, Miss Eva Norch Young, Mstr. Walter M. Young, Mr. Reinsel Young, Mr. A. T. Lay, Mr. A. L. Shields, Mrs. A. L. Shields, Mrs. A. H. Ferguson, Miss E. Ferguson, Miss M. Ferguson, Miss E. H. Naylor, Miss D. Ferguson, Mr. and Mrs. S. F. Gaches, Mr. S. D. Goldstein, Mrs. H. P. Goldstein, Mr. J. T. Johnston, Rev. B. Bitter, Prof. and Mrs. A. Noelte, Mr. R. Prieur, Mr. and Mrs. L. De Ocampo, Mr. H. Clay, Mrs. E. Cumming, Miss R. M. Gill, Mr. Lee Chiu, Mrs. L. G. States, Dr. P. G. Culley, Mrs. P. G. Culley, Mr. E. Hamowy, Dr. and Mrs. M. Viduya, Mstr. M. Viduya, Miss C. Alexander, Miss W. Dyer, Miss T. Lutsin, Mr. T. Murphy, Miss E. E. Zetterberg, Mrs. O. R. Allegree, Miss B. Abercrombie, Mrs. E. Butske, Miss E. Fryer, Mr. C. Glick, Miss K. Hayen, Miss F. S. Scott, Miss M. Walter, Mr. J. C. Gill, Miss L. B. Cortez, Mrs. M. Sampson, Miss C. Corso, Miss L. Gerpralao, Mrs. F. Carbonel, Miss M. Shimagala, Miss M. Cortez, Miss Cresanta Vallente, Mstr. A. Cortez, Mr. L. D. Reyes, Mr. M. Acabo.

Per R.D.S. President Coolidge, June 23. From Manila and Hongkong. Mrs. J. C. Bente, Mr. and Mrs. C. B. Cosgrove, Jr., Rev. A. F. Dempsey, Mr. John Finnie, Mr. R. G. Henderson, Mr. S. Komor, Mr. K. B. G. Larsen, Mrs. J. M. Major, Mstr. Donald M. Major, Mr. R. E. McIntyre, Capt. F. A. Swoffer, Lt. Comdr. C. A. Trexel, U.S.N., Mrs. C. A. Trexel, Mstr. Carl A. Trexel, Jr., Mr. H. Vanderstegen, Mr. E. Bernstein, Mrs. Bertha Dorrough, Mr. and Mrs. A. Gerner, Miss Anna Gerner, Mr. B. Godkin, Mr. H. S. Hall, Mrs. L. G. Kingman, Mr. W. A. Nash, Mr. G. Newbauer, Mr. T. P. Shelton.

Per R.D.S. President Wilson, June 24. From San Francisco, etc. Mrs. J. Phillips Berkeley, Mr. H. B. Britt, U.S.N., Capt. G. E. Hayes, U.S.M.C., Mrs. G. E. Hayes, Miss Dorothy L. Hayes, Miss Geneva Hayes, Lt. J. E. Kerr, U.S.M.C., Mrs. J. E. Kerr, Mstr. J. E. Kerr, Jr., Major L. H. Miller, U.S.M.C., Mrs. L. H. Miller, Mstr. D. B. Miller, Mr. C. B. Selden, U.S.N., Mrs. C. B. Selden, Miss Barbara Seldon, Mrs. C. E. Shepard, Jr., Lt. L. N. Utz, U.S.M.C., Mrs. L. N. Utz, Capt. L. G. Wayt, U.S.M.C. Mrs. L. G. Wayt.

Per M.M.S. Felix Roussel, June 24. From Marseilles, etc. Mr. Mme. J. Truquin, Mr. Robbaz, Mr. Daboval, Mr. de Villeneuve, Mr. de John Hans, Mr. Michel, Mr. Georges Simmous, Mr. A. Dantand, Mlle. Noguier, Soeur Agnes, Mme. Hontman, Mlle. Sailiens, Mlles. Dina et Raya Rawe, Mr. Senderoff, Mr. Fred Eifler, Mr. Nuister Kwang, Mr. E. Alimoff, Mr. A. Abramoff, Mr. L. Chmerlingen, Mme. R. Mikelberg, Mme. Tressol, Mr. G. Guter, Mr. E. E. Hundermark, Mr. T. A. James, Mr. C. R. Menasce, Mr. T. H. Couzir, Mr. Collignon, M.M. Millet et Bourtereau.

Per P. & O. S. Rawalpindi, June 25. From London, etc. Mr. F. S. Bridge, Mrs. Bridge, Mr. and Mrs. J. G. Crighton, Mr. and Mrs. Errol-Johnson, Lt.-Cmdr. W. Keith, Mrs. N. Laing, Mr. R. Mitchell, Mr. A. P. H. Squire, Pay.-Lt.-Cmdr. H. B. Twomey, Mrs. Twomey, Mr. T. H. Wood.

Per R.D.S. President Taft, June 27. From Hongkong. Mr. L. H. G. Frost, Mr. Walter Happan, Mrs. J. F. Hayden, Mr. R. R. Johnston, Mr. E. L. Levetus, Lieut. and Mrs. F. G. Merrill, Miss Jesie Merrill, Mr. Russell Owen Mr. R. L. Parker, Mr. and Mrs. C. E. Schroeder, Mr. W. T. Stanton, Mr. Boris Anissimoff, Lieut. Edward N. Coates, Mr. Thos. C. Dunson, Mr. M. H. Dodge, Mrs. Francisca Garcia, Miss Modesta Garcia, Miss Florencia Garcia, Miss Sarah E. Glass, Mr. L. S. Hersey, Dr. and Mrs. W. A. Main, Lieut. Floyd E. Nelson, Mrs. Amelia Wunder, Miss Miriam Wunder, Miss May Wunder.

OUTWARD

Per R.D.S. President Polk, June 22. —For Hongkong.—Mr. John D. Chretien, Mr. A. Malcolm, Mrs. Chan, Mr. N. G. Beale.—**For Manila.**—Mrs. Mary D. Cumming, Mr. J. Cumming, Mstr. James Cumming, Mr. Wm. J. Roth.—**For Singapore.**—Mrs. Grace Boyd Sears.—**For Bombay.**—Mrs. Mary R. Schmid, Sir Hari Singh Gour, Miss Rubie Gour, Mr. H. H. Eckman.—**For Genoa.**—Mr. M. J. Flamme.—**For New York.**—Dr. C. W. Moore, Mr. R. H. Crowe, Miss Helen L. Swinney, Lt. C. B. Stringfellow, Miss Jessie MacKennon.—**For Naples.**—Capt. and Mrs. O. K. Niess.

Per str. Taiyuan, June 23.—For Amoy.—Miss Povalain, Mstr. J. Stuart, Mrs. L. B. Stuart, Mr. Deriokin.

Per str. Kingyuan, June 25.—For Hongkong.—Mr. A. Reichhart, Mr. A. J. T. Hailey, Mr. and Mrs. A. J. Palmer.

Per R.D.S. President Coolidge, June 24.—For Kobe.—Mrs. Elsie Z. Ewell, Mr. W. Yongeneel, Mr. C. C. Chapman, Mr. Van Brunt, Mstr. Van Brunt.—**For Yokohama.**—Mr. R. V. Swearingen, Mr. S. H. Peek, Miss T. Austin, Mrs. F. F. Da. Selva, Mrs. Maria Brigola Debedin, Mr. and Mrs. G. I. Dell'ors.—**For Honolulu.**—Mrs. Olga Weidener, Mstr. James Weidener.—**For San Francisco.**—Mr. Wm. H. Daly, Comdr. M. C. Robertson, Col. E. H. Logan, Mr. and Mrs. G. M. Popple, Miss Joan Popple, Mstr. L. F. Popple, Mr. and Mrs. R. T. Moyer, Mstr. J. Moyer, Miss S. L. Moyer, Miss A. T. Moyer, Mstr. and Mrs. Walter Palmer, Mstr. Charles Palmer, Miss Lois Guthrie, Mr. Charles Seidle, Mrs. G. H. Newsome, Miss Doris Newsome, Mr. Fred G. Sabbagh, Mr. E. T. Basha, Mr. and Mrs. T. R. Scanlon, Mstr. Francis Scanlon, Mstr. Carlyle Scanlon, Mr. and Mrs. E. S. Wise, Mstr. Morris Katz, Mrs. J. B. Katz, Mr. and Mrs. James B. Davies, Mrs. Dorothy S. Pearman, Dr. and Mrs. J. E. Skinner, Mr. and Mrs. W. Hutchinson, Rev. and Mrs. Augustus R. Craig, Miss Mary A. Craig, Mr. and Mrs. David Weeks, Mstr. David Weeks, Mstr. Boyd Weeks, Mr. D. Joochinsky, Mr. and Mrs. C. M. Lacey Sites, Mr. and Mrs. A. N. Bierkle, Mstr. Orville Bierkle, Miss Eleanor Bierkle, Dr. and Mrs. P. B. Price, Miss Mary Price.—**For Los Angeles.**—Mr. and Mrs. J. Herskovitz, Mstr. Auther M. Herskovitz, Mstr. Auther M. Herskovitz, Mstr. B. D. Herskovitz, Mr. and Mrs. Norman Godfrey, Comdr. and Mrs. C. B. Platt, Mstr. Grafton S. Platt, Miss A. Viola Smith, Mrs. J. Williams, Mrs. E. S. Cunningham, Mr. and Mrs. M. S. Tewkesburry, Miss M. Tewkesbury, Miss E. Tewkesburry, Mstr. J. G. Tewkesburry, Mr. and Mrs. Theodore L. C. Suhr, Miss E. L. Suhr, Mr. and Mrs. Baldwin De Korne, Miss Cynthia Miller, Mstr. and Mrs. J. A. E. Bates, Jr., Mr. and Mrs. N. H. Lewis, Miss Grace L. Lewis, Mstr. P. Lewis, Mr. and Mrs. F. W. Rawlinson, Mstr. John Rawlinson, Miss Jean Rawlinson, Miss Mary D. Willeford, Miss Eleanor M. Hinder.—**For New York.**—Mr. G. G. Johnston.

Per R.D.S. President Wilson, June 25.—For Hongkong.—Mr. C. G. Pierie, Mr. C. C. Roberts, Mr. Sam Firks, Mr. W. N. Gray, Mr. H. N. Walker.—**For Manila.**—Miss Lucille Wolf, Mrs. C. Monagin, Judge G. A. Malcolm.

Per str. Haukefjell, June 25.—For Chinwangtao.—Rev. and Mrs. E. G. Tewksbury and Miss Tewksbury.

Per str. Sunning, June 26.—For Hongkong.—Miss Ellis, Miss Robin.

Per str. Taming, June 28.—For Newchwang.—Miss L. Partridge.—**For Chefoo.**—Mr. Garland, Mrs. G. Tootell, Miss Tootell, Mrs. Taylor, Miss Wilson, Mr. Gutterres, Mr. da Cruz.

Per P. & O. S. Kaisar-I-Hind, June 28.—For London, etc.—Miss E. Alves, Mrs. Adams, Mrs. S. Bienaime, Mr. W. W. Brotherton, Mr. C. M. E. Breyer, Miss G. L. Bateman, Mr. A. S. Baria, Miss L. Claneau, Miss E. Cross, Mrs. W. Dykes, Mr. P. Dedien, Mr. A. Ditesheim, Mr. and Mrs. W. H. Dunkley, Mr. F. H. Dadachanji, Mrs. J. Fulker, Miss P. M. Goetzee, Mr. S. J. Gardinia, Miss Holtzman, Miss E. M. Hancock, Mr. and Mrs. C. B. Hannah, Mr. G. H. Hansotia, Mrs. A. Hunt, Mr. L. S. Htone, Mr. M. S. Irani, Mr. J. S. Irani, Mr. B. S. Irani, Mr. A. R. Irani, Miss E. S. Livens, Miss M. A. M. Looker, Miss McNab, Mr. T. Mahomed, Miss E. A. McDonald, Mr. P. Nicholson, Lt. W. G. Pulvertaft, R.N., Mr. E. G. Ritchie, Mr. and Mrs. H. Rugg, Mrs. A. Rcoco, Lt. H. B. Sanways, R.N., Lt. L. C. S. Sheppard, R.N., Mr. J. Smith, Mr. and Mrs. E. L. Starling, Mr. and Mrs. E. C. Stokes, Miss G. E. Stephenson, Lt. Col. H. J. Simson, Mr. J. Trevor-Smith, Capt. C. Townsend, K.S.L.I., Mrs. Townsend, Miss J. Tucher, Miss B. A. Ude.

INWARD MAILS

	DUE SHANGHAI
FROM EUROPE, VIA U.S.S.R.:— By train—three times weekly	
FROM EUROPE, VIA SUEZ:— Per P. & O. S. Mantua	July 3
FROM U.S.A.:— Per C.P.S. Emp. of Asia	July 3

OUTWARD MAILS

FOR EUROPE, U.S.S.R., AND KOREA:— By train daily	
FOR EUROPE, VIA SUEZ:— Per M. M. S. Andre Lebon	July 2
FOR U.S.A., VIA PORTS:— Per C.P.S. Emp. of Japan	July 3
FOR JAPAN:— Per N.Y.K.S. Shanghai Maru	June 29

SICCAWEI METEOROLOGICAL REPORT

Day of Month	Barometer 9 A.M.	Barometer Att'd Therm	Wind Direction a. m.	Wind (1-12)	Hygrometer 9 a.m. Dry	Hygrometer 9 a.m. Wet	Thermometer in Shade Max.	Thermometer in Shade Min.	Weather Conditions
June 17	29.89	75.4	Calm	0	73.6	70.7	75.9	68.2	o. m. p.
,, 18	29.92	75.0	E S E	2	75.2	70.4	82.1	67.1	c.
,, 19	29.85	73.9	E by S	3	68.6	68.0	70.2	66.0	c. r.
,, 20	29.65	75.2	W	4	74.5	71.3	76.8	68.0	o.
,, 21	29.83	73.8	W by N	3	74.7	68.7	82.1	66.4	o.
,, 22	29.86	75.0	S W	1	79.4	72.4	90.5	66.9	n.
,, 23	29.78	77.0	W by S	2	81.4	78.5	87.3	72.7	[illegible]

EXPLANATION
B—blue sky C—clouds D—drizzle F—fog H—hail L—lightning M—misty (hazy) O—overcast (dull) R—rain S—snow T—thunder Z—calm

SHANGHAI THERMOMETER READINGS FOR THE WEEK

In the open air in a shaded situation in the Foreign Settlement

Dat	Minimum Temperature 1932	Minimum Temperature 1931	Maximum Temperature 1932	Maximum Temperature 1931	Rainfall 1932	Rainfall 1931
June 17	69.5 F.	71.0 F.	73.5 F.	77.5 F.	0.18-in.	Nil
,, 18	69.0	65.5	78.5	76.0	Trace	1.83-in.
,, 19	68.0	68.5	76.0	79.0	2.26	0.25
,, 20	69.0	69.0	75.0	78.0	0.28	0.11
,, 21	68.5	68.5	78.5	80.5	Nil	0.03
,, 22	70.0	70.5	91.0	79.5	Nil	Nil
,, 23	76.0	71.0	88.0	82.0	Nil	0.01

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